

# **VETOES**

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## **BILLS AND MESSAGES**

**for the**

## **BILLS VETOED**

**by the**

**Governor of Maryland**

**following the**

**2008 Regular Session**

**of the**

**General Assembly of Maryland**

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## **NOTE**

Forty-five bills were vetoed by the Governor following the 2008 Regular Session of the General Assembly. Thirty-one of these bills originated in the Senate and fourteen of them originated in the House of Delegates. Pursuant to the provisions of Section 17 of Article II of the Maryland Constitution, these bills will be returned to the General Assembly immediately after the Legislature has organized at the next Regular or Special Session to be reconsidered in order to determine whether the veto is sustained or overridden.

The Department of Legislative Services  
General Assembly of Maryland  
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**Guide to Vetoed Bills and Messages**  
(Bill numbers in **bold** print represent policy vetoes)

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May 22, 2008

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate  
State House  
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 58 – *District Court – Commissioners – Jurisdiction*.

This bill authorizes a District Court commissioner to exercise the powers of that office in any county to which the commissioner is assigned by the Chief Judge of the District Court or a designee of the Chief Judge of the District Court. This bill also authorizes the Chief Judge of the District Court or a designee of the Chief Judge of the District Court to assign a commissioner to serve temporarily in any county. Further, the bill repeals specified limitations on an assignment of a District Court commissioner.

House Bill 87, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 58.

Sincerely,

Governor

**Senate Bill 58**

AN ACT concerning

**District Court – Commissioners – Jurisdiction**

FOR the purpose of authorizing a District Court commissioner to exercise the powers of that office in any county to which the commissioner is assigned by the Chief Judge of the District Court or a designee of the Chief Judge of the District Court; authorizing the Chief Judge of the District Court or a designee of the Chief Judge of the District Court to assign a commissioner to serve temporarily in any county; repealing certain limitations on an assignment of a county commissioner; repealing certain provisions relating to the powers of certain administrative or supervisory commissioners in multicounty districts; making a

stylistic change; and generally relating to the powers and duties of District Court commissioners.

BY repealing and reenacting, with amendments,  
Article – Courts and Judicial Proceedings  
Section 2–607  
Annotated Code of Maryland  
(2006 Replacement Volume and 2007 Supplement)

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

**Article – Courts and Judicial Proceedings**

2–607.

(a) (1) The administrative judge of each district, with the approval of the Chief Judge of the District Court, may appoint the number of commissioners necessary to perform the functions of the office within each county.

(2) In multicounty districts, the administrative judge shall obtain the recommendation of the resident judge in each county as to the number of commissioners required in the county and as to the persons to be appointed.

(b) (1) Commissioners shall be adult residents of the counties in which they serve, but they need not be lawyers.

(2) Each commissioner shall hold office at the pleasure of the Chief Judge of the District Court, and has the powers and duties prescribed by law.

(3) Except without additional compensation, unless otherwise fixed by law, an employee of the District Court, who is an adult, may be granted, in the same manner, commissioner powers and duties in the county where the employee is employed.

(c) (1) A commissioner shall receive applications and determine probable cause for the issuance of charging documents.

(2) A commissioner shall advise arrested persons of their constitutional rights, set bond or commit persons to jail in default of bond or release them on personal recognizance if circumstances warrant, and conduct investigations and inquiries into the circumstances of any matter presented to [him] **THE COMMISSIONER** in order to determine if probable cause exists for the issuance of a charging document, warrant, or criminal summons and, in general, perform all the

functions of committing magistrates as exercised by the justices of the peace prior to July 5, 1971.

(3) There shall be in each county, at all times, one or more commissioners available for the convenience of the public and police in obtaining charging documents, warrants, or criminal summonses and to advise arrested persons of their rights as required by law.

(4) A commissioner may exercise the powers of office in any county to which the commissioner is assigned[:

(i) By the Chief Judge of the District Court, as to assignment to a county in another district that is contiguous to the county in which the commissioner resides; or

(ii) By an administrative commissioner, as to assignment to a county within that district that is contiguous to the county in which the commissioner resides] **BY THE CHIEF JUDGE OF THE DISTRICT COURT OR A DESIGNEE OF THE CHIEF JUDGE OF THE DISTRICT COURT.**

(5) The Chief Judge of the District Court may authorize one or more commissioners to perform the duties of a commissioner regarding persons arrested in a county other than the county in which the commissioner resides and for which the commissioner was appointed when the arrested persons are brought before the commissioner by a peace officer of the jurisdiction in which that arrest was made.

(d) (1) The authority under this subsection applies only to a respondent who is an adult.

(2) A commissioner may issue an interim order for protection of a person eligible for relief in accordance with § 4-504.1 of the Family Law Article or a petitioner in accordance with § 3-1503.1 of this article.

(e) [(1)] Notwithstanding the residence requirements set out in subsection (b) of this section, the Chief Judge of the District Court **OR A DESIGNEE OF THE CHIEF JUDGE OF THE DISTRICT COURT** may assign a commissioner of the District Court to serve temporarily in [a] ANY county [that is contiguous to the commissioner's county of residence.

(2) A designation made under this subsection may only be made in extraordinary circumstances and may not exceed 30 days.

(f) Notwithstanding the residence requirement of subsection (b)(1) of this section, a commissioner who is designated by the Chief Judge of the District Court as the supervising commissioner of a multicounty district is authorized to perform the

duties of a commissioner in any county of the multicounty district and to assign any other commissioner from that district to perform duties within any county of that district that is contiguous to the county in which the commissioner resides].

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2008.

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May 22, 2008

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate  
State House  
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 63 – *Harford County – Alcoholic Beverages – Cafe License*.

This bill authorizes in Harford County a Class B Cafe beer and wine license; specifies an annual license fee of \$1,575; specifies that the license entitles the holder to sell beer and wine for consumption on and off the premises; specifies that the license is a 7-day license with an on-premises wine tasting privilege for every day of the year; prohibits the Liquor Control Board from issuing more than five licenses; and authorizes the license to be issued only if specified conditions are met.

House Bill 428, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 63.

Sincerely,

Governor

**Senate Bill 63**

AN ACT concerning

**Harford County – Alcoholic Beverages – Cafe License**

FOR the purpose of authorizing in Harford County a Class B Cafe beer and wine license; specifying an annual license fee; specifying that the license entitles the holder to sell beer and wine for consumption on and off the premises; specifying that the license is a 7–day license with an on–premises wine tasting privilege for a certain number of days; prohibiting the Liquor Control Board from issuing more than a certain number of cafe licenses; requiring the Liquor Control Board to set a maximum and a minimum seating capacity for certain licenses; authorizing the license to be issued only if certain conditions are met; prohibiting the license from being used for certain purposes; specifying certain hours and days of sale; and generally relating to a Class B Cafe beer and wine license in Harford County.

BY repealing and reenacting, without amendments,  
Article 2B – Alcoholic Beverages  
Section 5–201(n)(1)  
Annotated Code of Maryland  
(2005 Replacement Volume and 2007 Supplement)

BY adding to  
Article 2B – Alcoholic Beverages  
Section 5–201(n)(6)  
Annotated Code of Maryland  
(2005 Replacement Volume and 2007 Supplement)

BY repealing and reenacting, with amendments,  
Article 2B – Alcoholic Beverages  
Section 11–513  
Annotated Code of Maryland  
(2005 Replacement Volume and 2007 Supplement)

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

**Article 2B – Alcoholic Beverages**

5–201.

- (n) (1) This subsection applies only in Harford County.
- (6) (I) **THERE IS A CLASS B CAFE BEER AND WINE LICENSE.**
- (II) **THE ANNUAL LICENSE FEE IS \$1,575.**

**(III) A CAFE LICENSE ENTITLES THE HOLDER TO SELL BEER AND WINE FOR CONSUMPTION ON AND OFF THE LICENSED PREMISES.**

**(IV) A CAFE LICENSE IS A 7-DAY LICENSE WITH AN ON-PREMISES WINE TASTING PRIVILEGE FOR EVERY DAY OF THE YEAR.**

**(V) THE LIQUOR CONTROL BOARD MAY ISSUE NOT MORE THAN FIVE CAFE LICENSES.**

**(VI) THE LIQUOR CONTROL BOARD SHALL SET A MAXIMUM AND A MINIMUM SEATING CAPACITY FOR EACH CAFE LICENSE IT ISSUES.**

**(VII) A CAFE LICENSE MAY BE EXERCISED AT AN ESTABLISHMENT ONLY IF:**

**1. THE LIQUOR CONTROL BOARD DETERMINES THAT THE ESTABLISHMENT HAS ADEQUATE TABLES, CHAIRS, FOOD, AND FACILITIES FOR PREPARING AND SERVING MEALS;**

**2. THE AVERAGE GROSS MONTHLY RECEIPTS FROM THE SALE OF COOKED OR PREPARED FOOD SERVED AT THE ESTABLISHMENT AND OTHER ITEMS APPROVED BY THE LIQUOR CONTROL BOARD EXCEED 50% OF THE AVERAGE MONTHLY RECEIPTS FROM THE SALE OF BEER AND WINE SOLD FOR ON-PREMISES CONSUMPTION; AND**

**3. NOT MORE THAN 10% OF THE TOTAL SQUARE FOOTAGE OF THE ESTABLISHMENT IS DEDICATED TO THE PUBLIC DISPLAY OF BEER AND WINE THAT IS OFFERED FOR SALE.**

**(VIII) A CAFE LICENSE MAY NOT BE USED FOR OFF-PREMISES CATERING.**

11-513.

(a) The provisions of this section apply in Harford County only.

(b) (1) A licensee may sell, offer for sale, or dispense alcoholic beverages:

(i) On Monday through Sunday; and

(ii) Only between 8 a.m. and 2 a.m. the following morning.

**(2) A CLASS B CAFE LICENSEE MAY OFFER TO SELL BEER AND WINE:**

**(I) ON MONDAY THROUGH SATURDAY FROM 10 A.M. TO 11 P.M.; AND**

**(II) ON SUNDAY FROM 10 A.M. TO 11 P.M.**

(3) During a baseball game only, a licensee may not sell alcoholic beverages:

(i) After the beginning of the eighth inning; or

(ii) During a doubleheader game, after the beginning of the sixth inning of the second game.

(c) A licensee may not:

(1) Allow alcoholic beverages to be consumed on the licensee's premises after 2:15 a.m. or before 8:00 a.m. the same morning; or

(2) Allow alcoholic beverages glasses, bottles, or containers to remain on tables or serving counters after 2:30 a.m.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2008.

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May 22, 2008

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate  
State House  
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 103 – *Maryland Uniform Interstate Depositions and Discovery Act*.

This bill enacts the Maryland Uniform Interstate Depositions and Discovery Act to establish procedures for requesting and issuing a subpoena in this State to compel witness testimony at a deposition, document discovery, or inspection of premises in a case filed in a foreign jurisdiction. This bill also establishes that specified Maryland Rules apply to subpoenas issued under the Act which repeals existing provisions of law relating to foreign depositions.

House Bill 88, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 103.

Sincerely,

Governor

### **Senate Bill 103**

AN ACT concerning

#### **Maryland Uniform Interstate Depositions and Discovery Act**

FOR the purpose of enacting the Maryland Uniform Interstate Depositions and Discovery Act; establishing procedures for requesting and issuing certain subpoenas; providing for the service of certain subpoenas; establishing that certain Maryland Rules apply to certain subpoenas; requiring that an application for a protective order or to enforce, quash, or modify certain subpoenas comply with certain rules and statutes and be filed in a certain court; requiring certain consideration to be given in applying and construing this Act; defining certain terms; repealing existing provisions of law relating to foreign depositions; providing for the application of this Act; and generally relating to interstate depositions and discovery.

BY repealing

Article – Courts and Judicial Proceedings

Section 9–401 through 9–403 and the subtitle “Subtitle 4. Foreign Depositions”

Annotated Code of Maryland

(2006 Replacement Volume and 2007 Supplement)

BY adding to

Article – Courts and Judicial Proceedings

Section 9–401 through 9–407 to be under the new subtitle “Subtitle 4. Maryland Uniform Interstate Depositions and Discovery Act”

Annotated Code of Maryland  
(2006 Replacement Volume and 2007 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 9-401 through 9-403 and the subtitle "Subtitle 4. Foreign Depositions" of Article - Courts and Judicial Proceedings of the Annotated Code of Maryland be repealed.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

**Article - Courts and Judicial Proceedings**

**SUBTITLE 4. MARYLAND UNIFORM INTERSTATE DEPOSITIONS AND DISCOVERY ACT.**

**9-401.**

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

(B) "FOREIGN JURISDICTION" MEANS A STATE OTHER THAN THIS STATE.

(C) "FOREIGN SUBPOENA" MEANS A SUBPOENA ISSUED UNDER AUTHORITY OF A COURT OF RECORD OF A FOREIGN JURISDICTION.

(D) "PERSON" MEANS AN INDIVIDUAL, CORPORATION, BUSINESS TRUST, ESTATE, TRUST, PARTNERSHIP, LIMITED LIABILITY COMPANY, ASSOCIATION, JOINT VENTURE, PUBLIC CORPORATION, GOVERNMENT, GOVERNMENTAL SUBDIVISION, AGENCY, OR INSTRUMENTALITY, OR ANY OTHER LEGAL OR COMMERCIAL ENTITY.

(E) "STATE" MEANS A STATE OF THE UNITED STATES, THE DISTRICT OF COLUMBIA, PUERTO RICO, THE UNITED STATES VIRGIN ISLANDS, OR ANY TERRITORY OR INSULAR POSSESSION SUBJECT TO THE JURISDICTION OF THE UNITED STATES.

(F) "SUBPOENA" MEANS A DOCUMENT, HOWEVER DENOMINATED, ISSUED UNDER AUTHORITY OF A COURT OF RECORD REQUIRING A PERSON TO:

(1) ATTEND AND GIVE TESTIMONY AT A DEPOSITION;

(2) PRODUCE AND PERMIT INSPECTION AND COPYING OF DESIGNATED BOOKS, DOCUMENTS, RECORDS, ELECTRONICALLY STORED INFORMATION, OR TANGIBLE THINGS IN THE POSSESSION, CUSTODY, OR CONTROL OF THE PERSON; OR

(3) PERMIT INSPECTION OF PREMISES UNDER THE CONTROL OF THE PERSON.

**9-402.**

(A) (1) TO REQUEST ISSUANCE OF A SUBPOENA UNDER THIS SECTION, A PARTY SHALL SUBMIT A FOREIGN SUBPOENA TO A CLERK OF THE CIRCUIT COURT FOR THE COUNTY IN WHICH DISCOVERY IS SOUGHT TO BE CONDUCTED IN THIS STATE.

(2) A REQUEST FOR THE ISSUANCE OF A SUBPOENA UNDER THIS SUBTITLE DOES NOT CONSTITUTE AN APPEARANCE IN THE COURTS OF THIS STATE.

(B) WHEN A PARTY SUBMITS A FOREIGN SUBPOENA TO A CLERK OF COURT IN THIS STATE, THE CLERK, IN ACCORDANCE WITH THAT COURT'S PROCEDURE, SHALL PROMPTLY ISSUE A SUBPOENA FOR SERVICE UPON THE PERSON TO WHICH THE FOREIGN SUBPOENA IS DIRECTED.

(C) A SUBPOENA UNDER SUBSECTION (B) OF THIS SECTION SHALL:

(1) INCORPORATE THE TERMS USED IN THE FOREIGN SUBPOENA;  
AND

(2) CONTAIN OR BE ACCOMPANIED BY THE NAMES, ADDRESSES, AND TELEPHONE NUMBERS OF ALL COUNSEL OF RECORD IN THE PROCEEDING TO WHICH THE SUBPOENA RELATES AND OF ANY PARTY NOT REPRESENTED BY COUNSEL.

**9-403.**

A SUBPOENA ISSUED BY A CLERK OF COURT UNDER § 9-402 OF THIS SUBTITLE SHALL BE SERVED IN COMPLIANCE WITH MARYLAND RULE 2-510.

**9-404.**

**TITLE 2, CHAPTER 400 OF THE MARYLAND RULES AND MARYLAND RULE 2-510 APPLY TO SUBPOENAS ISSUED UNDER § 9-402 OF THIS SUBTITLE.**

**9-405.**

**AN APPLICATION TO THE COURT FOR A PROTECTIVE ORDER OR TO ENFORCE, QUASH, OR MODIFY A SUBPOENA ISSUED BY A CLERK OF COURT UNDER § 9-402 OF THIS SUBTITLE SHALL COMPLY WITH THE RULES AND STATUTES OF THIS STATE AND BE SUBMITTED TO THE CIRCUIT COURT FOR THE COUNTY IN WHICH DISCOVERY IS TO BE CONDUCTED.**

**9-406.**

**IN APPLYING AND CONSTRUING THIS UNIFORM ACT, CONSIDERATION SHALL BE GIVEN TO THE NEED TO PROMOTE UNIFORMITY OF THE LAW WITH RESPECT TO ITS SUBJECT MATTER AMONG STATES THAT ENACT IT.**

**9-407.**

**THIS SUBTITLE MAY BE CITED AS THE MARYLAND UNIFORM INTERSTATE DEPOSITIONS AND DISCOVERY ACT.**

SECTION 3. AND BE IT FURTHER ENACTED, That this Act applies to requests for discovery in cases pending on the effective date of this Act.

SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2008.

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May 22, 2008

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate  
State House  
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 120 – *Anne Arundel County and City of Annapolis – Fire and Explosive Investigators – Qualifications*.

This bill alters the definition of “Anne Arundel County or City of Annapolis fire and explosive investigator” to include additional qualifications.

House Bill 239, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 120.

Sincerely,

Governor

### Senate Bill 120

AN ACT concerning

#### **Anne Arundel County and City of Annapolis – Fire and Explosive ~~Investigations – Deputy Fire Marshal~~ Investigators – Qualifications**

FOR the purpose of ~~requiring that an Anne~~ altering the definition of “Anne Arundel County or City of Annapolis fire and explosive ~~investigator have the rank of deputy fire marshal or higher~~ investigator” to include certain additional qualifications; and generally relating to fire and explosive ~~investigations~~ investigators in Anne Arundel County and the City of Annapolis.

BY repealing and reenacting, with amendments,

Article – Criminal Procedure

Section 2–208.2

Annotated Code of Maryland

(2001 Volume and 2007 Supplement)

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

#### **Article – Criminal Procedure**

2–208.2.

(a) In this section, “Anne Arundel County or City of Annapolis fire and explosive investigator” means an individual who:

(1) is assigned *FULL TIME* to the Fire and Explosive Investigations Section of the Anne Arundel County or City of Annapolis Fire Marshal's Office AND IS A PAID EMPLOYEE;

(2) has ~~the rank of a [fire rescue lieutenant] DEPUTY FIRE MARSHAL or higher; and~~ BEEN EMPLOYED BY THE ANNE ARUNDEL COUNTY OR CITY OF ANNAPOLIS FIRE DEPARTMENT AS A FIREFIGHTER FOR AT LEAST 5 YEARS;

(3) has successfully completed a training program from a police training school approved by the Police Training Commission established under Title 3, Subtitle 2 of the Public Safety Article; AND

(4) AT ALL TIMES MAINTAINS ACTIVE CERTIFICATION BY THE POLICE TRAINING COMMISSION.

(b) Except as provided in subsection (c) of this section, an Anne Arundel County or City of Annapolis fire and explosive investigator has the same authority granted to the State Fire Marshal or a full-time investigative and inspection assistant of the Office of the State Fire Marshal under § 2-208 of this subtitle:

(1) while operating in Anne Arundel County or the City of Annapolis;  
and

(2) while operating outside Anne Arundel County or the City of Annapolis when:

(i) the Anne Arundel County or City of Annapolis fire and explosive investigator is participating in a joint investigation with officials from another state, federal, or local law enforcement unit, at least one of which has local jurisdiction;

(ii) the Anne Arundel County or City of Annapolis fire and explosive investigator is rendering assistance to another law enforcement officer;

(iii) the Anne Arundel County or City of Annapolis fire and explosive investigator is acting at the request of a law enforcement officer or State law enforcement officer; or

(iv) an emergency exists.

(c) The Anne Arundel County or City of Annapolis Fire Chief:

(1) may limit the authority of an Anne Arundel County or City of Annapolis fire and explosive investigator under this section; and

(2) shall express the limitation in a written policy.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2008.

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May 22, 2008

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate  
State House  
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 123 – *Anne Arundel County – Department of Detention Facilities Employment Applicants – Polygraph Examinations*.

This bill exempts from the prohibition against an employer requiring or demanding, as a condition of employment, that an individual submit to or take a lie detector or similar test, individuals who apply for employment with the Anne Arundel County Department of Detention Facilities, either as correctional officers or, in any other capacity that involves direct contact with an inmate in the Department.

House Bill 287, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 123.

Sincerely,

Governor

**Senate Bill 123**

AN ACT concerning

**Anne Arundel County – Department of Detention Facilities ~~Correctional~~  
~~Employees~~ Employment Applicants – Polygraph Examinations**

FOR the purpose of exempting from the prohibition against an employer requiring or demanding, as a condition of ~~employment, prospective employment, or continued~~ employment, that an individual submit to or take a lie detector or similar test, individuals who apply for employment ~~or are employed as correctional officers for~~ *with* the Anne Arundel County Department of Detention Facilities *either as correctional officers* or in any other capacity that involves direct ~~personal~~ contact with an inmate in the Department; and generally relating to the Anne Arundel County Department of Detention Facilities.

BY repealing and reenacting, without amendments,  
Article – Labor and Employment  
Section 3–702(a) and (c)  
Annotated Code of Maryland  
(1999 Replacement Volume and 2007 Supplement)

BY repealing and reenacting, with amendments,  
Article – Labor and Employment  
Section 3–702(b)  
Annotated Code of Maryland  
(1999 Replacement Volume and 2007 Supplement)

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

**Article – Labor and Employment**

3–702.

(a) In this section, “employer” means:

(1) a person engaged in a business, industry, profession, trade, or other enterprise in the State;

(2) the State;

(3) a county; and

(4) a municipal corporation in the State.

(b) (1) This section does not apply to the federal government or any of its units.

(2) This section does not apply to an individual who is an employee of or applies for assignment to the Internal Investigative Unit of the Department of Public Safety and Correctional Services.

(3) This section does not apply to an individual who applies for employment or is employed:

(i) as a law enforcement officer, as defined in § 3-101 of the Public Safety Article;

(ii) as an employee of a law enforcement agency of the State, a county, or a municipal corporation;

(iii) as a communications officer of the Calvert County Control Center;

(iv) as a correctional officer of the Calvert County Detention Center or in any other capacity that involves direct personal contact with an inmate in the Detention Center;

(v) as a correctional officer of the Washington County Detention Center or in any other capacity that involves direct personal contact with an inmate in the Center; ~~for~~

~~(vi) AS A CORRECTIONAL OFFICER OF THE ANNE ARUNDEL DEPARTMENT OF DETENTION FACILITIES OR IN ANY OTHER CAPACITY THAT INVOLVES DIRECT PERSONAL CONTACT WITH AN INMATE IN THE DEPARTMENT;~~  
~~OR~~

~~[(vi)] (vii)~~ as a correctional officer of:

1. the Baltimore City Jail;
2. the Baltimore County Detention Center;
3. the Cecil County Detention Center;
4. the Charles County Detention Center;
5. the Frederick County Adult Detention Center;
6. the Harford County Detention Center; or
7. the St. Mary's County Detention Center.

(4) This section does not apply to an applicant for employment as a correctional officer with the Department of Corrections for Prince George's County.

**(5) THIS SECTION DOES NOT APPLY TO AN APPLICANT FOR EMPLOYMENT WITH THE ANNE ARUNDEL COUNTY DEPARTMENT OF DETENTION FACILITIES:**

**(I) AS A CORRECTIONAL OFFICER; OR**

**(II) IN ANY OTHER CAPACITY THAT INVOLVES DIRECT CONTACT WITH AN INMATE IN THE ANNE ARUNDEL COUNTY DEPARTMENT OF DETENTION FACILITIES.**

(c) An employer may not require or demand, as a condition of employment, prospective employment, or continued employment, that an individual submit to or take a lie detector or similar test.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2008.

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May 22, 2008

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate  
State House  
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 157 – *Wicomico County – Alcoholic Beverages Act of 2008*.

Among other things, this bill authorizes Wicomico County to allow the holder of a Class 6 pub-brewery license to sell malt beverages for off-premises consumption; authorizes the issuance of a Class 7 micro-brewery (on- and off-sale) license; and creates a Class B special wine (B-SWL) (off-sale) license.

House Bill 203, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 157.

Sincerely,

Governor

### Senate Bill 157

AN ACT concerning

#### Wicomico County - Alcoholic Beverages Act of 2008

FOR the purpose of adding Wicomico County to the list of counties that authorize the holder of a Class 6 pub-brewery license to sell malt beverages for off-premises consumption in sealed refillable containers; adding Wicomico County to the list of counties that are authorized to issue a Class 7 micro-brewery (on- and off-sale) license; creating a Class B special wine license for the sale of wine for consumption off the premises; specifying certain requirements for applicants for and holders of the Class B special wine license; specifying a fee and hours of sale; specifying a maximum alcohol content for wine sold under the Class B special wine license; authorizing the Board of License Commissioners to adopt certain regulations; authorizing the Board to issue a special Class C beer, beer and wine, or beer, wine and liquor license; specifying the privileges, application requirements, fee, days of use, and other requirements for holders of the special Class C licenses; adding Wicomico County to the list of counties that, on the death of a licensee, shall issue a new license under certain circumstances to the surviving spouse, partners, or senior officer without the necessity of further proceedings for the balance of the current license year; ~~authorizing a holder of a Class 6 pub-brewery license or a Class 7 micro-brewery license to have or hold a financial interest in certain retail alcoholic beverages licenses~~ the Board of License Commissioners to issue a Class 6 pub-brewery license or a Class 7 micro-brewery license to a holder of not more than a certain number of Class B beer, wine and liquor licenses under certain circumstances *and subject to certain conditions and limitations*; and generally relating to alcoholic beverages licenses in Wicomico County.

BY repealing and reenacting, with amendments,  
 Article 2B - Alcoholic Beverages  
 Section 2-207(g), 2-208(b), ~~9-102(k)~~, and 10-506(b)  
 Annotated Code of Maryland  
 (2005 Replacement Volume and 2007 Supplement)

BY repealing and reenacting, without amendments,

Article 2B – Alcoholic Beverages  
Section 2–208(a) and 6–201(x)(1)  
Annotated Code of Maryland  
(2005 Replacement Volume and 2007 Supplement)

BY adding to

Article 2B – Alcoholic Beverages  
Section 6–201(x)(4), 7–101(w), and 12–104(e)(5)  
Annotated Code of Maryland  
(2005 Replacement Volume and 2007 Supplement)

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

**Article 2B – Alcoholic Beverages**

2–207.

(g) (1) This subsection applies only in the following jurisdictions:

- (i) City of Annapolis;
- (ii) Anne Arundel County;
- (iii) Baltimore City;
- (iv) Baltimore County;
- (v) Calvert County;
- (vi) Charles County;
- (vii) Harford County;
- (viii) Prince George’s County; [and]
- (ix) Talbot County; AND
- (x) **WICOMICO COUNTY.**

(2) The holder of a Class 6 pub–brewery license may sell malt beverages for off–premises consumption in sealed refillable containers.

(3) The containers may be returned and at the time of refill shall be sealed by the pub–brewery licensee.

(4) A holder of a Class 6 pub-brewery license may not sell malt beverages to any retail alcoholic beverages licensee in this State for the purpose of a subsequent sale or distribution of that malt beverage under the retail license.

2-208.

- (a) There is a Class 7 micro-brewery (on- and off-sale) license.
- (b) The license shall be issued:
  - (1) By the State Comptroller;
  - (2) Only in the following jurisdictions:
    - (i) Allegany County;
    - (ii) Baltimore City;
    - (iii) Baltimore County;
    - (iv) The City of Annapolis;
    - (v) Anne Arundel County;
    - (vi) Calvert County;
    - (vii) Carroll County;
    - (viii) Charles County;
    - (ix) Dorchester County;
    - (x) Frederick County;
    - (xi) Garrett County;
    - (xii) Harford County;
    - (xiii) Howard County;
    - (xiv) Montgomery County;
    - (xv) Prince George's County; [and]

(xvi) Talbot County; AND

**(xvii) WICOMICO COUNTY;**

(3) (i) Only to a holder of a Class B beer, wine and liquor (on-sale) license that is issued for use on the premises of a restaurant located in a jurisdiction listed in paragraph (2) of this subsection; or

(ii) To a holder of a Class D alcoholic beverages license that is issued for use on the premises of the existing Class D license if the premises are located in the 22nd Alcoholic Beverages District of Prince George's County; and

(4) In addition to item (3) of this subsection, in Montgomery County only to a holder of a Class H beer and light wine license that is issued for use on the premises of a restaurant located in the County.

6-201.

(x) (1) This subsection applies only in Wicomico County.

**(4) (I) THERE IS A CLASS B SPECIAL WINE (B-SWL) (OFF-SALE) LICENSE.**

**(II) A HOLDER OF A LICENSE UNDER THIS PARAGRAPH MAY SELL WINE FOR CONSUMPTION OFF THE LICENSED PREMISES.**

**(III) 1. THE BOARD OF LICENSE COMMISSIONERS MAY ISSUE A LICENSE UNDER THIS PARAGRAPH ONLY TO A HOLDER OF A CLASS B BEER, WINE AND LIQUOR (7-DAY) (ON-SALE) LICENSE THAT IS ISSUED FOR A RESTAURANT.**

**2. THE TERM OF A LICENSE UNDER THIS PARAGRAPH THAT IS ISSUED TO A SUCCESSFUL APPLICANT SHALL BE THE SAME AS THAT OF THE CLASS B BEER, WINE AND LIQUOR LICENSE HELD BY THE APPLICANT.**

**(IV) A HOLDER OF A LICENSE UNDER THIS PARAGRAPH AT A MINIMUM SHALL OFFER FOR SALE 5 DAYS PER WEEK:**

**1. BREAKFAST AND LUNCH;**

**2. BREAKFAST AND DINNER; OR**

**3. LUNCH AND DINNER.**

(V) THE MEALS SHALL BE DESCRIBED IN A PRINTED MENU.

(VI) THE AREA USED FOR THE PREPARATION AND CONSUMPTION OF FOOD AND BEVERAGES SHALL OCCUPY AT LEAST 80% OF THE TOTAL SQUARE FOOT AREA OF THE LICENSED PREMISES.

(VII) AN APPLICANT FOR A LICENSE UNDER THIS PARAGRAPH SHALL COMPLETE THE FORM THAT THE BOARD OF LICENSE COMMISSIONERS PROVIDES.

(VIII) ADVERTISING, POSTING OF NOTICE, AND PUBLIC HEARING REQUIREMENTS FOR A LICENSE UNDER THIS PARAGRAPH ARE THE SAME AS THOSE FOR OTHER CLASS B LICENSES.

(IX) THE ANNUAL LICENSE FEE IS \$1,500.

(X) OFF-SALE ALCOHOLIC BEVERAGES RECEIPTS SHALL BE INCLUDED IN THE CALCULATION OF AVERAGE DAILY RECEIPTS FROM THE SALE OF ALCOHOLIC BEVERAGES UNDER PARAGRAPH (2)(IV)1D OF THIS SUBSECTION.

(XI) SUBJECT TO SUBPARAGRAPH (XII) OF THIS PARAGRAPH, THE HOURS FOR SALE FOR A LICENSE UNDER THIS PARAGRAPH ARE:

1. 10 A.M. TO MIDNIGHT, MONDAY THROUGH SATURDAY; AND
2. 12:30 P.M. TO MIDNIGHT ON SUNDAY.

(XII) A LICENSE HOLDER MAY EXERCISE THE PRIVILEGES OF A LICENSE UNDER THIS PARAGRAPH ONLY IF THE LICENSED PREMISES IS OPEN FOR BUSINESS AS A RESTAURANT.

(XIII) WINE SOLD UNDER A LICENSE UNDER THIS PARAGRAPH SHALL HAVE A MAXIMUM ALCOHOL CONTENT OF 15.5%.

(XIV) THE BOARD OF LICENSE COMMISSIONERS MAY ADOPT REGULATIONS TO CARRY OUT THIS SUBSECTION, INCLUDING A LIMIT ON THE NUMBER OF LICENSES TO BE ISSUED.

**(w) (1) THIS SUBSECTION APPLIES ONLY IN WICOMICO COUNTY.**

**(2) (i) THE BOARD OF LICENSE COMMISSIONERS MAY ISSUE A SPECIAL CLASS C BEER, BEER AND WINE, OR BEER, WINE AND LIQUOR LICENSE.**

**(ii) A SPECIAL LICENSE ENTITLES THE HOLDER TO EXERCISE ANY OF THE PRIVILEGES CONFERRED BY THAT CLASS OF LICENSE AT A BONA FIDE ENTERTAINMENT EVENT HELD BY A FIRE DEPARTMENT IN THE COUNTY.**

**(3) AN APPLICANT FOR A SPECIAL LICENSE SHALL SIGN AND SUBMIT TO THE BOARD OF LICENSE COMMISSIONERS AN APPLICATION IN THE FORM THAT THE BOARD PROVIDES.**

**(4) THE ANNUAL FEE FOR A SPECIAL LICENSE IS:**

**(i) \$400, FOR NOT MORE THAN 10 DAYS;**

**(ii) \$800, FOR AT LEAST 11 BUT NOT MORE THAN 20 DAYS;**

**(iii) \$1,000, FOR AT LEAST 21 BUT NOT MORE THAN 30 DAYS;**

**AND**

**(iv) \$1,100, FOR AT LEAST 31 BUT NOT MORE THAN 40 DAYS.**

**(5) THE TOTAL NUMBER OF DAYS DURING WHICH A SPECIAL LICENSE MAY BE USED MAY NOT EXCEED 40 IN A CALENDAR YEAR.**

**(6) A LICENSE HOLDER SHALL NOTIFY THE BOARD OF LICENSE COMMISSIONERS IN WRITING AT LEAST 7 DAYS BEFORE EACH DAY WHEN THE LICENSE IS TO BE USED.**

**(7) THE BOARD OF LICENSE COMMISSIONERS MAY ISSUE ONLY ONE MULTIPLE EVENT LICENSE TO A LICENSE HOLDER IN A LICENSED YEAR.**

**(8) THIS SUBSECTION DOES NOT PREVENT A FIRE DEPARTMENT FROM OBTAINING A SINGLE EVENT SPECIAL CLASS C LICENSE AUTHORIZED ELSEWHERE UNDER THIS SECTION.**

**(9) THE BOARD OF LICENSE COMMISSIONERS MAY ADOPT REGULATIONS TO CARRY OUT THIS SUBSECTION.**

9-102.

(k) The provisions of subsections (a) and (a-1) of this section do not apply to licenses issued under:

**(1) § 6-201 of this article if: [(1) the]**

**(I) THE resident applicant has been a resident of Wicomico County for at least two years prior to the application[, and (2) the]; AND**

**(II) THE minimum capital investment in the premises is at least \$200,000 or the premises have a fair market value of at least \$200,000; OR**

**(2) § 12-104(E)(5) OF THIS ARTICLE.**

10-506.

(b) Notwithstanding any provisions to the contrary in this article, upon the death of any married licensee, or upon the death of any licensee holding that license for the benefit of a partnership or corporation, upon application to the Comptroller or local licensing board, as the case may be, that granted the license, a new license shall be issued to the surviving spouse, the surviving partners for the benefit of the partnership, or the senior surviving officer for the benefit of the corporation without the necessity of any further proceedings for the balance of the current license year. A renewal license may be issued to the surviving spouse or to the surviving members of a partnership or corporation, if they qualify to hold license under this article. The provisions of this subsection apply only in the following subdivisions:

- (1) Anne Arundel County;
- (2) Baltimore County;
- (3) Baltimore City;
- (4) Caroline County;
- (5) Charles County;
- (6) Dorchester County; [and]
- (7) Prince George's County; AND
- (8) WICOMICO COUNTY.**

12-104.

(e) (5) (I) THIS PARAGRAPH APPLIES ONLY IN WICOMICO COUNTY.

~~(II) SUBJECT TO THE APPROVAL OF THE BOARD OF LICENSE COMMISSIONERS, IN ADDITION TO THE RETAIL LICENSE REQUIRED UNDER § 2-207 OR § 2-208 OF THIS ARTICLE, A CLASS 6 PUB-BREWERY LICENSEE OR A CLASS 7 MICRO-BREWERY LICENSEE MAY HOLD OR HAVE A FINANCIAL INTEREST IN RETAIL ALCOHOLIC BEVERAGES LICENSES THAT DO NOT APPLY TO PREMISES TO WHICH A CLASS 6 PUB-BREWERY LICENSE OR CLASS 7 MICRO-BREWERY LICENSE APPLIES.~~

(II) SUBJECT TO SUBPARAGRAPHS (III) AND (IV) OF THIS PARAGRAPH, THE BOARD OF LICENSE COMMISSIONERS MAY ISSUE ONE CLASS 6 PUB-BREWERY LICENSE OR ONE CLASS 7 MICRO-BREWERY LICENSE, BUT NOT BOTH, TO A PERSON THAT HOLDS NOT MORE THAN THREE CLASS B BEER, WINE AND LIQUOR LICENSES.

(III) A CLASS 6 PUB-BREWERY LICENSE OR A CLASS 7 MICRO-BREWERY LICENSE ISSUED UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH MAY BE ISSUED ONLY FOR A LOCATION IN AN ENTERPRISE ZONE IN THE CITY OF SALISBURY.

(IV) A HOLDER OF A CLASS 7 MICRO-BREWERY LICENSE ISSUED UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH MAY SELL BEER FOR OFF-PREMISES CONSUMPTION ONLY TO A WHOLESALER LICENSED UNDER THIS ARTICLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2008.

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May 22, 2008

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate  
State House

Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 212 – *Reorganization of State Government – Department of Information Technology*.

This bill establishes the Department of Information Technology as a principal unit of the Executive Branch. This bill also provides for the qualifications, appointment, powers, duties, and salary of the Secretary of Information Technology. Further, the bill requires the Secretary to provide an annual report on technology development projects to the Department of Legislative Services.

House Bill 362, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 212.

Sincerely,

Governor

### **Senate Bill 212**

AN ACT concerning

### **Reorganization of State Government – Department of Information Technology**

FOR the purpose of reorganizing State government by establishing a Department of Information Technology as a principal unit of the Executive Branch; providing for the qualifications, appointment, powers, duties, and salary of the Secretary of Information Technology; providing for the duties of the Department of Information Technology; specifying that the Department of Information Technology is responsible for administering the information technology functions of the Executive Branch of State government; transferring the information technology and telecommunications functions of the Executive Branch from the Department of Budget and Management to the Department of Information Technology; requiring the Secretary to provide a certain annual report on certain technology development projects to the Department of Legislative Services; transferring the Telecommunications Access of Maryland program from the Department of Budget and Management to the Department of Information Technology; requiring certain shopping facilities to acquire and install certain communications devices; providing that the Department of Information Technology is a primary procurement unit; repealing a certain

requirement regarding the adoption of regulations; repealing certain provisions of law rendered inapplicable by provisions of this Act; abolishing the State Information Technology Board; defining certain terms; providing for the transfer of certain employees under certain circumstances; providing for appropriate transitional provisions relating to the continuity of certain departments, boards, commissions, committees, agencies, and other units; providing for the transfer of certain property, records, fixtures, appropriations, credits, assets, liabilities, obligations, rights, and privileges; providing for the continuity of certain laws, rules and regulations, standards and guidelines, policies, orders and other directives, permits and licenses, applications, forms, plans, memberships, contracts, property, investigations, and administrative and judicial responsibilities; providing for the continuity of certain transactions, rights, duties, and interests; providing for the continuity of certain persons licensed, registered, permitted, and certified under certain departments, offices, and units; providing for the continuity of certain contracts, agreements, grants, or other obligations; specifying that the publisher of the Annotated Code of Maryland, in consultation with the Department of Legislative Services, shall correct agency names and titles in the Code to conform to the changes that are made by this Act; making technical changes; and generally relating to the reorganization of State government and the establishment of a Department of Information Technology.

**BY repealing**

Article – State Finance and Procurement

Section 3–401 through 3–413 and the subtitle “Subtitle 4. Information Processing”; 3–701 through 3–706 and the subtitle “Subtitle 7. Telecommunications”; 3–801 through 3–807 and the subtitle “Subtitle 8. Telecommunications Access of Maryland”; and 3–901 through 3–906 and the subtitle “Subtitle 9. Telecommunications Devices and Distribution of Accessible Information for Disabled Individuals”

Annotated Code of Maryland

(2006 Replacement Volume and 2007 Supplement)

**BY repealing and reenacting, with amendments,**

Article – State Government

Section 8–201

Annotated Code of Maryland

(2004 Replacement Volume and 2007 Supplement)

**BY adding to**

Article – State Finance and Procurement

Section 3A–101 through 3A–606 to be under the new title “Title 3A. Department of Information Technology”; and 12–107(b)(7)

Annotated Code of Maryland

(2006 Replacement Volume and 2007 Supplement)

BY repealing and reenacting, with amendments,  
Article – State Finance and Procurement  
Section 11–101(l), 12–107(b)(2), (5), and (6), 13–401, 13–402(a), and 14–501(b)  
Annotated Code of Maryland  
(2006 Replacement Volume and 2007 Supplement)

BY repealing and reenacting, without amendments,  
Article – State Finance and Procurement  
Section 14–501(a)  
Annotated Code of Maryland  
(2006 Replacement Volume and 2007 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 3–401 through 3–413 and the subtitle “Subtitle 4. Information Processing”; 3–701 through 3–706 and the subtitle “Subtitle 7. Telecommunications”; 3–801 through 3–807 and the subtitle “Subtitle 8. Telecommunications Access of Maryland”; and 3–901 through 3–906 and the subtitle “Subtitle 9. Telecommunications Devices and Distribution of Accessible Information for Disabled Individuals” of Article – State Finance and Procurement of the Annotated Code of Maryland be repealed.

SECTION 2. AND BE IT FURTHER ENACTED, That The Laws of Maryland read as follows:

### **Article – State Government**

8–201.

(a) The Executive Branch of the State government shall have not more than 21 principal departments, each of which shall embrace a broad, functional area of that Branch.

(b) The principal departments of the Executive Branch of the State government are:

- (1) Aging;
- (2) Agriculture;
- (3) Budget and Management;
- (4) Business and Economic Development;
- (5) Disabilities;

- (6) the Environment;
- (7) General Services;
- (8) Health and Mental Hygiene;
- (9) Housing and Community Development;
- (10) Human Resources;
- (11) INFORMATION TECHNOLOGY;**
- [(11)] **(12)** Juvenile Services;
- [(12)] **(13)** Labor, Licensing, and Regulation;
- [(13)] **(14)** Natural Resources;
- [(14)] **(15)** Planning;
- [(15)] **(16)** Public Safety and Correctional Services;
- [(16)] **(17)** State Police;
- [(17)] **(18)** Transportation; and
- [(18)] **(19)** Veterans Affairs.

**Article - State Finance and Procurement**

**TITLE 3A. DEPARTMENT OF INFORMATION TECHNOLOGY.**

**SUBTITLE 1. DEFINITIONS.**

**3A-101.**

(A) IN THIS ~~SUBTITLE~~ TITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) "DEPARTMENT" MEANS THE DEPARTMENT OF INFORMATION TECHNOLOGY.

(C) "SECRETARY" MEANS THE SECRETARY OF INFORMATION TECHNOLOGY.

(D) "TELECOMMUNICATION" MEANS THE TRANSMISSION OF INFORMATION, IMAGES, PICTURES, VOICE, OR DATA BY RADIO, VIDEO, OR OTHER ELECTRONIC OR IMPULSE MEANS.

(E) "UNIT OF STATE GOVERNMENT" MEANS AN AGENCY OR UNIT OF THE EXECUTIVE BRANCH OF STATE GOVERNMENT.

**SUBTITLE 2. ORGANIZATION AND GENERAL AUTHORITY OF THE DEPARTMENT.**

**3A-201.**

**THERE IS A DEPARTMENT OF INFORMATION TECHNOLOGY ESTABLISHED AS A PRINCIPAL DEPARTMENT OF STATE GOVERNMENT.**

**3A-202.**

(A) THE HEAD OF THE DEPARTMENT IS THE SECRETARY OF INFORMATION TECHNOLOGY, WHO SHALL BE APPOINTED BY THE GOVERNOR WITH THE ADVICE AND CONSENT OF THE SENATE.

(B) THE SECRETARY SHALL HAVE EXPERIENCE IN INFORMATION TECHNOLOGY, DATA PROCESSING, TELECOMMUNICATIONS, AND SYSTEMS PROCUREMENT, PLANNING, AND MANAGEMENT.

(C) BEFORE TAKING OFFICE, THE APPOINTEE SHALL TAKE THE OATH REQUIRED BY ARTICLE I, § 9 OF THE MARYLAND CONSTITUTION.

(D) THE SECRETARY SHALL ADVISE THE GOVERNOR ON ALL MATTERS ASSIGNED TO THE DEPARTMENT AND IS RESPONSIBLE FOR CARRYING OUT THE GOVERNOR'S POLICIES ON THOSE MATTERS.

(E) THE SECRETARY IS RESPONSIBLE FOR THE OPERATION OF THE DEPARTMENT AND MAY ESTABLISH GUIDELINES AND PROCEDURES TO PROMOTE THE ORDERLY AND EFFICIENT ADMINISTRATION OF THE DEPARTMENT.

(F) THE SECRETARY MAY ESTABLISH, REORGANIZE, OR ABOLISH AREAS OF RESPONSIBILITY IN THE DEPARTMENT NECESSARY TO FULFILL THE DUTIES ASSIGNED TO THE SECRETARY.

**3A-203.**

**(A) (1) WITH THE APPROVAL OF THE GOVERNOR, THE SECRETARY SHALL APPOINT A DEPUTY SECRETARY.**

**(2) THE DEPUTY SECRETARY:**

**(I) SERVES AT THE PLEASURE OF THE SECRETARY;**

**(II) IS ENTITLED TO THE SALARY PROVIDED IN THE STATE BUDGET; AND**

**(III) HAS THE DUTIES PROVIDED BY LAW OR DELEGATED BY THE SECRETARY.**

**(B) EACH ASSISTANT SECRETARY AND PROFESSIONAL CONSULTANT IS IN THE EXECUTIVE SERVICE, MANAGEMENT SERVICE, OR IS A SPECIAL APPOINTMENT IN THE STATE PERSONNEL MANAGEMENT SYSTEM AND IS APPOINTED BY AND SERVES AT THE PLEASURE OF THE SECRETARY.**

**(C) EXCEPT AS PROVIDED IN THIS SECTION OR OTHERWISE BY LAW, THE SECRETARY SHALL APPOINT AND REMOVE ALL OTHER STAFF IN ACCORDANCE WITH THE PROVISIONS OF THE STATE PERSONNEL AND PENSIONS ARTICLE.**

**(D) THE APPOINTMENT OF OR REMOVAL OF STAFF OF ANY UNIT IN THE DEPARTMENT IS SUBJECT TO THE APPROVAL OF THE SECRETARY.**

**3A-204.**

**(A) THE ATTORNEY GENERAL IS LEGAL ADVISER TO THE DEPARTMENT.**

**(B) AT THE REQUEST OF THE GOVERNOR, THE ATTORNEY GENERAL SHALL ASSIGN TO THE DEPARTMENT THE NUMBER OF ASSISTANT ATTORNEYS GENERAL AUTHORIZED BY LAW TO BE ASSIGNED TO THE DEPARTMENT.**

**(C) (1) THE ATTORNEY GENERAL SHALL DESIGNATE ONE OF THE ASSISTANT ATTORNEYS GENERAL ASSIGNED TO THE DEPARTMENT AS COUNSEL TO THE DEPARTMENT.**

(2) AFTER THE ATTORNEY GENERAL DESIGNATES THE COUNSEL TO THE DEPARTMENT, THE ATTORNEY GENERAL MAY NOT REASSIGN THE COUNSEL WITHOUT CONSULTING THE SECRETARY.

(3) (I) THE COUNSEL MAY HAVE NO OTHER DUTY OTHER THAN TO:

1. GIVE THE LEGAL AID, ADVICE, AND COUNSEL REQUIRED BY THE SECRETARY OR ANY OTHER OFFICIAL OF THE DEPARTMENT;

2. SUPERVISE THE OTHER ASSISTANT ATTORNEYS GENERAL ASSIGNED TO THE DEPARTMENT; AND

3. PERFORM FOR THE DEPARTMENT THE DUTIES THAT THE ATTORNEY GENERAL ASSIGNS.

(II) THE COUNSEL SHALL PERFORM THESE DUTIES SUBJECT TO THE CONTROL AND SUPERVISION OF THE ATTORNEY GENERAL.

### SUBTITLE 3. INFORMATION PROCESSING.

#### 3A-301.

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

(B) (1) "DEVELOPMENT" MEANS ALL EXPENDITURES FOR A NEW INFORMATION TECHNOLOGY SYSTEM OR AN ENHANCEMENT TO AN EXISTING SYSTEM INCLUDING SYSTEM:

(I) PLANNING;

(II) PROCUREMENT;

(III) CREATION;

(IV) INSTALLATION;

(V) TESTING; AND

(VI) INITIAL TRAINING.

(2) "DEVELOPMENT" DOES NOT INCLUDE:

(I) ONGOING OPERATING COSTS, SOFTWARE OR HARDWARE MAINTENANCE, ROUTINE UPGRADES, OR MODIFICATIONS THAT MERELY ALLOW FOR A CONTINUATION OF THE EXISTING LEVEL OF FUNCTIONALITY; OR

(II) EXPENDITURES MADE AFTER A NEW OR ENHANCED SYSTEM HAS BEEN LEGALLY ACCEPTED BY THE USER AND IS BEING USED FOR THE BUSINESS PROCESS FOR WHICH IT WAS INTENDED.

(C) "FUND" MEANS THE MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECT FUND.

(D) "INFORMATION TECHNOLOGY" MEANS ALL ELECTRONIC INFORMATION PROCESSING HARDWARE AND SOFTWARE, INCLUDING:

- (1) MAINTENANCE;
- (2) TELECOMMUNICATIONS; AND
- (3) ASSOCIATED CONSULTING SERVICES.

(E) "INFORMATION TECHNOLOGY SERVICES" MEANS INFORMATION PROVIDED BY ELECTRONIC MEANS BY OR ON BEHALF OF A UNIT OF STATE GOVERNMENT.

(F) "MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECT" MEANS ANY INFORMATION TECHNOLOGY DEVELOPMENT PROJECT THAT MEETS ONE OR MORE OF THE FOLLOWING CRITERIA:

(1) THE ESTIMATED TOTAL COST OF DEVELOPMENT EQUALS OR EXCEEDS \$1,000,000;

(2) THE PROJECT IS UNDERTAKEN TO SUPPORT A CRITICAL BUSINESS FUNCTION ASSOCIATED WITH THE PUBLIC HEALTH, EDUCATION, SAFETY, OR FINANCIAL WELL-BEING OF THE CITIZENS OF MARYLAND; OR

(3) THE SECRETARY DETERMINES THAT THE PROJECT REQUIRES THE SPECIAL ATTENTION AND CONSIDERATION GIVEN TO A MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECT DUE TO:

(I) THE SIGNIFICANCE OF THE PROJECT'S POTENTIAL BENEFITS OR RISKS;

(II) THE IMPACT OF THE PROJECT ON THE PUBLIC OR LOCAL GOVERNMENTS;

(III) THE PUBLIC VISIBILITY OF THE PROJECT; OR

(IV) OTHER REASONS AS DETERMINED BY THE SECRETARY.

(G) “MASTER PLAN” MEANS THE STATEWIDE INFORMATION TECHNOLOGY MASTER PLAN.

(H) “NONVISUAL ACCESS” MEANS THE ABILITY, THROUGH KEYBOARD CONTROL, SYNTHESIZED SPEECH, BRAILLE, OR OTHER METHODS NOT REQUIRING SIGHT TO RECEIVE, USE, AND MANIPULATE INFORMATION AND OPERATE CONTROLS NECESSARY TO ACCESS INFORMATION TECHNOLOGY.

(I) “RESOURCE SHARING” MEANS THE UTILIZATION OF A STATE RESOURCE BY PRIVATE INDUSTRY IN EXCHANGE FOR THE PROVISION TO THE STATE OF A COMMUNICATION SERVICE OR OTHER CONSIDERATION.

(J) “SYSTEMS DEVELOPMENT LIFE CYCLE PLAN” MEANS A PLAN THAT DEFINES ALL ACTIONS, FUNCTIONS, OR ACTIVITIES TO BE PERFORMED BY A UNIT OF STATE GOVERNMENT IN THE DEFINITION, PLANNING, ACQUISITION, DEVELOPMENT, TESTING, IMPLEMENTATION, OPERATION, ENHANCEMENT, AND MODIFICATION OF INFORMATION TECHNOLOGY SYSTEMS.

### **3A-302.**

(A) THIS SUBTITLE DOES NOT APPLY TO CHANGES RELATING TO OR THE PURCHASE, LEASE, OR RENTAL OF INFORMATION TECHNOLOGY BY:

(1) PUBLIC INSTITUTIONS OF HIGHER EDUCATION SOLELY FOR ACADEMIC OR RESEARCH PURPOSES;

(2) THE MARYLAND PORT ADMINISTRATION;

(3) THE UNIVERSITY SYSTEM OF MARYLAND;

(4) ST. MARY’S COLLEGE OF MARYLAND; OR

(5) MORGAN STATE UNIVERSITY.

(B) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, EXCEPT AS PROVIDED IN SUBSECTION (A) OF THIS SECTION AND §§ 3A-307(A)(2), 3A-308,

AND 3A-309 OF THIS SUBTITLE, THIS SUBTITLE APPLIES TO ALL UNITS OF THE EXECUTIVE BRANCH OF STATE GOVERNMENT INCLUDING PUBLIC INSTITUTIONS OF HIGHER EDUCATION OTHER THAN MORGAN STATE UNIVERSITY, THE UNIVERSITY SYSTEM OF MARYLAND, AND ST. MARY'S COLLEGE OF MARYLAND.

**3A-303.**

**THE SECRETARY IS RESPONSIBLE FOR CARRYING OUT THE FOLLOWING DUTIES:**

**(1) DEVELOPING, MAINTAINING, REVISING, AND ENFORCING INFORMATION TECHNOLOGY POLICIES, PROCEDURES, AND STANDARDS;**

**(2) PROVIDING TECHNICAL ASSISTANCE, ADVICE, AND RECOMMENDATIONS TO THE GOVERNOR AND ANY UNIT OF STATE GOVERNMENT CONCERNING INFORMATION TECHNOLOGY MATTERS;**

**(3) REVIEWING THE ANNUAL PROJECT PLAN FOR EACH UNIT OF STATE GOVERNMENT TO MAKE INFORMATION AND SERVICES AVAILABLE TO THE PUBLIC OVER THE INTERNET;**

**(4) DEVELOPING AND MAINTAINING A STATEWIDE INFORMATION TECHNOLOGY MASTER PLAN THAT WILL:**

**(I) BE THE BASIS FOR THE MANAGEMENT AND DIRECTION OF INFORMATION TECHNOLOGY WITHIN THE EXECUTIVE BRANCH OF STATE GOVERNMENT;**

**(II) INCLUDE ALL ASPECTS OF STATE INFORMATION TECHNOLOGY INCLUDING TELECOMMUNICATIONS, DATA PROCESSING, AND INFORMATION MANAGEMENT;**

**(III) CONSIDER INTERSTATE TRANSFERS AS A RESULT OF FEDERAL LEGISLATION AND REGULATION;**

**(IV) WORK JOINTLY WITH THE SECRETARY OF BUDGET AND MANAGEMENT TO ENSURE THAT INFORMATION TECHNOLOGY PLANS AND BUDGETS ARE CONSISTENT;**

**(V) ENSURE THAT STATE INFORMATION TECHNOLOGY PLANS, POLICIES, AND STANDARDS ARE CONSISTENT WITH STATE GOALS, OBJECTIVES, AND RESOURCES, AND REPRESENT A LONG-RANGE VISION FOR**

USING INFORMATION TECHNOLOGY TO IMPROVE THE OVERALL EFFECTIVENESS OF STATE GOVERNMENT; AND

(VI) INCLUDE STANDARDS TO ASSURE NONVISUAL ACCESS TO THE INFORMATION AND SERVICES MADE AVAILABLE TO THE PUBLIC OVER THE INTERNET; AND

(5) ADOPTING BY REGULATION AND ENFORCING NONVISUAL ACCESS STANDARDS TO BE USED IN THE PROCUREMENT OF INFORMATION TECHNOLOGY SERVICES BY OR ON BEHALF OF UNITS OF STATE GOVERNMENT.

**3A-304.**

THE SECRETARY SHALL DEVELOP A STATEWIDE INFORMATION TECHNOLOGY MASTER PLAN.

**3A-305.**

(A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, IN ACCORDANCE WITH GUIDELINES ESTABLISHED BY THE SECRETARY, EACH UNIT OF STATE GOVERNMENT SHALL DEVELOP AND SUBMIT TO THE SECRETARY:

(1) INFORMATION TECHNOLOGY POLICIES AND STANDARDS;

(2) AN INFORMATION TECHNOLOGY PLAN; AND

(3) AN ANNUAL PROJECT PLAN OUTLINING THE STATUS OF EFFORTS TO MAKE INFORMATION AND SERVICES AVAILABLE TO THE PUBLIC OVER THE INTERNET.

(B) (1) THE GOVERNING BOARDS OF THE PUBLIC INSTITUTIONS OF HIGHER EDUCATION SHALL DEVELOP AND SUBMIT INFORMATION TECHNOLOGY POLICIES AND STANDARDS AND AN INFORMATION TECHNOLOGY PLAN FOR THEIR RESPECTIVE INSTITUTIONS OR SYSTEMS TO THE SECRETARY.

(2) IF THE SECRETARY FINDS THAT THE SUBMISSIONS REQUIRED UNDER THIS SUBSECTION ARE CONSISTENT WITH THE MASTER PLAN, THE SECRETARY SHALL INCORPORATE THOSE SUBMISSIONS INTO THE MASTER PLAN.

(3) IF THE SECRETARY FINDS THAT THE SUBMISSIONS REQUIRED UNDER THIS SUBSECTION ARE NOT CONSISTENT WITH THE MASTER PLAN:

(I) THE SECRETARY SHALL RETURN THE SUBMISSIONS TO THE GOVERNING BOARDS; AND

(II) THE GOVERNING BOARDS SHALL REVISE THE SUBMISSIONS AS APPROPRIATE AND SUBMIT THE REVISED POLICIES, STANDARDS, AND PLANS TO THE SECRETARY.

**3A-306.**

INFORMATION TECHNOLOGY OF EACH UNIT OF STATE GOVERNMENT SHALL BE CONSISTENT WITH THE MASTER PLAN.

**3A-307.**

(A) (1) A UNIT OF STATE GOVERNMENT MAY NOT PURCHASE, LEASE, OR RENT INFORMATION TECHNOLOGY UNLESS CONSISTENT WITH THE MASTER PLAN.

(2) A UNIT OF STATE GOVERNMENT OTHER THAN A PUBLIC INSTITUTION OF HIGHER EDUCATION MAY NOT MAKE EXPENDITURES FOR MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS EXCEPT AS PROVIDED IN § 3A-308 OF THIS SUBTITLE.

(B) (1) THE SECRETARY MAY REVIEW ANY INFORMATION TECHNOLOGY PROJECT FOR CONSISTENCY WITH THE MASTER PLAN.

(2) ANY INFORMATION TECHNOLOGY PROJECT SELECTED FOR REVIEW MAY NOT BE IMPLEMENTED WITHOUT THE APPROVAL OF THE SECRETARY.

(C) (1) A UNIT OF STATE GOVERNMENT SHALL ADVISE THE SECRETARY OF ANY INFORMATION TECHNOLOGY PROPOSAL INVOLVING RESOURCE SHARING, THE EXCHANGE OF GOODS OR SERVICES, OR A GIFT, CONTRIBUTION, OR GRANT OF REAL OR PERSONAL PROPERTY.

(2) THE SECRETARY SHALL DETERMINE IF THE VALUE OF THE RESOURCES, SERVICES, AND PROPERTY TO BE OBTAINED BY THE STATE UNDER THE TERMS OF ANY PROPOSAL SUBMITTED IN ACCORDANCE WITH THE PROVISIONS OF PARAGRAPH (1) OF THIS SUBSECTION EQUALS OR EXCEEDS \$100,000.

(3) IF THE VALUE OF ANY PROPOSAL SUBMITTED IN ACCORDANCE WITH THIS SUBSECTION EQUALS OR EXCEEDS \$100,000 AND THE

SECRETARY AND UNIT AGREE TO PROCEED WITH THE PROPOSAL, INFORMATION ON THE PROPOSAL SHALL BE:

(I) ADVERTISED FOR A PERIOD OF AT LEAST 30 DAYS IN THE ~~MARYLAND~~ MARYLAND MARKETPLACE; AND

(II) SUBMITTED, SIMULTANEOUSLY WITH THE ADVERTISEMENT, TO THE LEGISLATIVE POLICY COMMITTEE FOR A 60-DAY REVIEW AND COMMENT PERIOD, DURING WHICH TIME THE COMMITTEE MAY RECOMMEND THAT THE PROPOSAL BE TREATED AS A PROCUREMENT CONTRACT UNDER DIVISION II OF THIS ARTICLE.

(4) FOLLOWING THE PERIOD FOR REVIEW AND COMMENT BY THE LEGISLATIVE POLICY COMMITTEE UNDER PARAGRAPH (3) OF THIS SUBSECTION, THE PROPOSAL IS SUBJECT TO APPROVAL BY THE BOARD OF PUBLIC WORKS.

(5) THIS SUBSECTION MAY NOT BE CONSTRUED AS AUTHORIZING AN EXCEPTION FROM THE REQUIREMENTS OF DIVISION II OF THIS ARTICLE FOR ANY CONTRACT THAT OTHERWISE WOULD BE SUBJECT TO THE STATE PROCUREMENT PROCESS.

### 3A-308.

(A) THIS SECTION DOES NOT APPLY TO A PUBLIC INSTITUTION OF HIGHER EDUCATION.

(B) IN SUBMITTING ITS INFORMATION TECHNOLOGY PROJECT REQUESTS, A UNIT OF STATE GOVERNMENT SHALL DESIGNATE PROJECTS WHICH ARE MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS.

(C) IN REVIEWING INFORMATION TECHNOLOGY PROJECT REQUESTS, THE SECRETARY MAY CHANGE A UNIT'S DESIGNATION OF A MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECT.

(D) THE SECRETARY SHALL REVIEW AND, WITH THE ADVICE OF THE SECRETARY OF BUDGET AND MANAGEMENT, APPROVE MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS AND SPECIFICATIONS FOR CONSISTENCY WITH ALL STATEWIDE PLANS, POLICIES, AND STANDARDS, INCLUDING A SYSTEMS DEVELOPMENT LIFE CYCLE PLAN.

(E) THE SECRETARY SHALL BE RESPONSIBLE FOR OVERSEEING THE IMPLEMENTATION OF MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS, REGARDLESS OF FUND SOURCE.

(F) WITH THE ADVICE OF THE SECRETARY OF BUDGET AND MANAGEMENT, EXPENDITURES FOR MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS SHALL BE SUBJECT TO THE APPROVAL OF THE SECRETARY WHO SHALL APPROVE EXPENDITURES ONLY WHEN THOSE PROJECTS ARE CONSISTENT WITH STATEWIDE PLANS, POLICIES, AND STANDARDS.

(G) (1) THE SECRETARY SHALL APPROVE FUNDING FOR MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS ONLY WHEN THOSE PROJECTS ARE SUPPORTED BY AN APPROVED SYSTEMS DEVELOPMENT LIFE CYCLE PLAN.

(2) THE SECRETARY MAY APPROVE FUNDING INCREMENTALLY, CONSISTENT WITH THE SYSTEMS DEVELOPMENT LIFE CYCLE PLAN.

**3A-309.**

(A) THERE IS A MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECT FUND.

(B) THE PURPOSE OF THE FUND IS TO SUPPORT MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS.

(C) THE SECRETARY:

(1) SHALL ADMINISTER THE FUND IN ACCORDANCE WITH THIS SECTION; AND

(2) SUBJECT TO THE PROVISIONS OF § 2-201 OF THIS ARTICLE AND 3A-307 OF THIS SUBTITLE, MAY RECEIVE AND ACCEPT CONTRIBUTIONS, GRANTS, OR GIFTS OF MONEY OR PROPERTY.

(D) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7-302 OF THIS ARTICLE.

(2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

**(3) THE STATE TREASURER SHALL INVEST AND REINVEST THE MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

**(4) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE PAID INTO THE FUND.**

**(E) EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION, THE FUND CONSISTS OF:**

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

**(2) MONEY RECEIVED FROM THE SALE, LEASE, OR EXCHANGE OF COMMUNICATION SITES OR COMMUNICATION FREQUENCIES FOR INFORMATION TECHNOLOGY PURPOSES AS APPROVED BY THE SECRETARY;**

**(3) MONEY RECEIVED AS COMMISSIONS, REBATES, REFUNDS, RATE REDUCTIONS, OR TELECOMMUNICATION BYPASS AGREEMENTS RESULTING FROM INFORMATION TECHNOLOGY SERVICES OR PURCHASES;**

**(4) THAT PORTION OF MONEYS EARNED FROM PAY PHONE COMMISSIONS TO THE EXTENT THAT THE COMMISSION RATES EXCEED THOSE IN EFFECT IN DECEMBER 1993;**

**(5) MONEY RECEIVED AND ACCEPTED AS CONTRIBUTIONS, GRANTS, OR GIFTS AS AUTHORIZED UNDER SUBSECTION (C) OF THIS SECTION;**

**(6) GENERAL FUNDS APPROPRIATED FOR MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS OF ANY UNIT OF STATE GOVERNMENT OTHER THAN A PUBLIC INSTITUTION OF HIGHER EDUCATION THAT:**

**(I) ARE UNENCUMBERED AND UNEXPENDED AT THE END OF A FISCAL YEAR;**

**(II) HAVE BEEN ABANDONED; OR**

**(III) HAVE BEEN WITHHELD BY THE GENERAL ASSEMBLY OR THE SECRETARY;**

**(7) ANY INVESTMENT EARNINGS; AND**

**(8) ANY OTHER MONEY FROM ANY SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND.**

**(F) THE FUND DOES NOT INCLUDE ANY MONEY:**

**(1) RECEIVED BY THE DEPARTMENT OF TRANSPORTATION, MARYLAND TRANSPORTATION AUTHORITY, OR MARYLAND PUBLIC BROADCASTING COMMISSION;**

**(2) RECEIVED BY THE JUDICIAL OR LEGISLATIVE BRANCHES OF STATE GOVERNMENT; OR**

**(3) GENERATED FROM PAY PHONE COMMISSIONS THAT ARE CREDITED TO OTHER ACCOUNTS OR FUNDS IN ACCORDANCE WITH OTHER PROVISIONS OF LAW OR ARE AUTHORIZED FOR OTHER PURPOSES IN THE STATE BUDGET OR THROUGH AN APPROVED BUDGET AMENDMENT.**

**(G) THE GOVERNOR SHALL SUBMIT WITH THE STATE BUDGET:**

**(1) A SUMMARY SHOWING THE UNENCUMBERED BALANCE IN THE FUND AS OF THE CLOSE OF THE PRIOR FISCAL YEAR AND A LISTING OF ANY ENCUMBRANCES;**

**(2) AN ESTIMATE OF PROJECTED REVENUE FROM EACH OF THE SOURCES SPECIFIED IN SUBSECTION (E) OF THIS SECTION FOR THE FISCAL YEAR FOR WHICH THE STATE BUDGET IS SUBMITTED; AND**

**(3) A DESCRIPTIVE LISTING OF PROJECTS REFLECTING PROJECTED COSTS FOR THE FISCAL YEAR FOR WHICH THE STATE BUDGET IS SUBMITTED AND ANY ESTIMATED FUTURE YEAR COSTS.**

**(H) EXPENDITURES FROM THE FUND SHALL BE MADE ONLY:**

**(1) IN ACCORDANCE WITH AN APPROPRIATION APPROVED BY THE GENERAL ASSEMBLY IN THE ANNUAL STATE BUDGET; OR**

**(2) THROUGH AN APPROVED STATE BUDGET AMENDMENT UNDER TITLE 7, SUBTITLE 2, PART II OF THIS ARTICLE, PROVIDED THAT A STATE BUDGET AMENDMENT FOR ANY PROJECT NOT REQUESTED AS PART OF THE STATE BUDGET SUBMISSION OR FOR ANY PROJECT FOR WHICH THE SCOPE OR COST HAS INCREASED BY MORE THAN 5% OR \$250,000 SHALL BE SUBMITTED TO THE BUDGET COMMITTEES ALLOWING A 30-DAY PERIOD FOR THEIR REVIEW AND COMMENT.**

**(I) THE FUND MAY BE USED:**

(1) FOR MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS;

(2) AS PROVIDED IN SUBSECTION (J) OF THIS SECTION; OR

(3) NOTWITHSTANDING ~~§ 3A-302(B)(2)~~ § 3A-301(B)(2) OF THIS SUBTITLE, FOR THE COSTS OF THE FIRST 12 MONTHS OF OPERATION AND MAINTENANCE OF A MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECT.

(J) NOTWITHSTANDING SUBSECTION (B) OF THIS SECTION AND EXCEPT FOR THE COST INCURRED IN ADMINISTERING THE FUND, EACH FISCAL YEAR UP TO \$1,000,000 OF THIS FUND MAY BE USED FOR:

(1) EDUCATIONALLY RELATED INFORMATION TECHNOLOGY PROJECTS;

(2) APPLICATION SERVICE PROVIDER INITIATIVES AS PROVIDED FOR IN TITLE 9, SUBTITLE 22 OF THE STATE GOVERNMENT ARTICLE; OR

(3) INFORMATION TECHNOLOGY PROJECTS, INCLUDING:

(I) PILOTS; AND

(II) PROTOTYPES.

(K) A UNIT OF STATE GOVERNMENT OR LOCAL GOVERNMENT MAY SUBMIT A REQUEST TO THE SECRETARY TO SUPPORT THE COST OF AN INFORMATION TECHNOLOGY PROJECT WITH MONEYS UNDER SUBSECTION (J) OF THIS SECTION.

(L) (1) ON OR BEFORE NOVEMBER 1 OF EACH YEAR, THE SECRETARY SHALL REPORT TO THE GOVERNOR, THE SECRETARY OF BUDGET AND MANAGEMENT, AND TO THE BUDGET COMMITTEES OF THE GENERAL ASSEMBLY AND SUBMIT A COPY OF THE REPORT TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE.

(2) THE REPORT SHALL INCLUDE:

(I) THE FINANCIAL STATUS OF THE FUND AND A SUMMARY OF ITS OPERATIONS FOR THE PRECEDING FISCAL YEAR;

(II) AN ACCOUNTING FOR THE PRECEDING FISCAL YEAR OF ALL MONEYS FROM EACH OF THE REVENUE SOURCES SPECIFIED IN SUBSECTION (E) OF THIS SECTION, INCLUDING ANY EXPENDITURES MADE FROM THE FUND; AND

(III) FOR EACH PROJECT RECEIVING MONEYS FROM THE FUND IN THE PRECEDING FISCAL YEAR AND FOR EACH MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECT RECEIVING FUNDING FROM ANY SOURCE OTHER THAN THE FUND IN THE PRECEDING FISCAL YEAR:

1. THE STATUS OF THE PROJECT;
2. A COMPARISON OF ESTIMATED AND ACTUAL COSTS OF THE PROJECT;
3. ANY KNOWN OR ANTICIPATED CHANGES IN SCOPE OR COSTS OF THE PROJECT;
4. AN EVALUATION OF WHETHER THE PROJECT IS USING BEST PRACTICES; AND
5. A SUMMARY OF ANY MONITORING AND OVERSIGHT OF THE PROJECT FROM OUTSIDE THE AGENCY IN WHICH THE PROJECT IS BEING DEVELOPED, INCLUDING A DESCRIPTION OF ANY PROBLEMS IDENTIFIED BY ANY EXTERNAL REVIEW AND ANY CORRECTIVE ACTIONS TAKEN.

(M) ON OR BEFORE JANUARY 15 OF EACH YEAR, FOR EACH MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECT CURRENTLY IN DEVELOPMENT OR FOR WHICH OPERATIONS AND MAINTENANCE FUNDING IS BEING PROVIDED IN ACCORDANCE WITH § 3A-309(I)(3) OF THIS SUBTITLE, SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE SECRETARY SHALL PROVIDE A SUMMARY REPORT TO THE DEPARTMENT OF LEGISLATIVE SERVICES WITH THE MOST UP-TO-DATE PROJECT INFORMATION INCLUDING:

- (1) PROJECT STATUS;
- (2) ANY SCHEDULE, COST, AND SCOPE CHANGES SINCE THE LAST ANNUAL REPORT;
- (3) A RISK ASSESSMENT INCLUDING ANY PROBLEMS IDENTIFIED BY ANY INTERNAL OR EXTERNAL REVIEW AND ANY CORRECTIVE ACTIONS TAKEN; AND

**(4) ANY CHANGE IN THE MONITORING OR OVERSIGHT STATUS.**

**3A-310.**

**THIS SUBTITLE MAY NOT BE CONSTRUED TO GIVE THE SECRETARY AUTHORITY OVER:**

**(1) THE CONTENT OF EDUCATIONAL APPLICATIONS OR CURRICULUM AT THE STATE OR LOCAL LEVEL; OR**

**(2) THE ENTITIES THAT MAY PARTICIPATE IN SUCH EDUCATIONAL PROGRAMS.**

**3A-311.**

**(A) THE SECRETARY, IN CONSULTATION WITH OTHER UNITS OF STATE GOVERNMENT, AND AFTER PUBLIC COMMENT, SHALL DEVELOP A NONVISUAL ACCESS CLAUSE FOR USE IN THE PROCUREMENT OF INFORMATION TECHNOLOGY AND INFORMATION TECHNOLOGY SERVICES THAT SPECIFIES THAT THE TECHNOLOGY AND SERVICES:**

**(1) MUST PROVIDE EQUIVALENT ACCESS FOR EFFECTIVE USE BY BOTH VISUAL AND NONVISUAL MEANS;**

**(2) WILL PRESENT INFORMATION, INCLUDING PROMPTS USED FOR INTERACTIVE COMMUNICATIONS, IN FORMATS INTENDED FOR BOTH VISUAL AND NONVISUAL USE;**

**(3) CAN BE INTEGRATED INTO NETWORKS FOR OBTAINING, RETRIEVING, AND DISSEMINATING INFORMATION USED BY INDIVIDUALS WHO ARE NOT BLIND OR VISUALLY IMPAIRED; AND**

**(4) SHALL BE OBTAINED, WHENEVER POSSIBLE, WITHOUT MODIFICATION FOR COMPATIBILITY WITH SOFTWARE AND HARDWARE FOR NONVISUAL ACCESS.**

**(B) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE NONVISUAL ACCESS CLAUSE REQUIRED UNDER SUBSECTION (A) OF THIS SECTION SHALL BE INCLUDED IN EACH INVITATION FOR BIDS OR REQUEST FOR PROPOSALS AND IN EACH PROCUREMENT CONTRACT OR MODIFICATION OF A CONTRACT ISSUED UNDER TITLE 13 OF THIS ARTICLE, WITHOUT REGARD TO THE METHOD CHOSEN UNDER TITLE 13, SUBTITLE 1 OF**

THIS ARTICLE FOR THE PURCHASE OF NEW OR UPGRADED INFORMATION TECHNOLOGY AND INFORMATION TECHNOLOGY SERVICES.

(2) EXCEPT AS PROVIDED IN SUBSECTION (A)(4) OF THIS SECTION, THE NONVISUAL ACCESS CLAUSE REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION IS NOT REQUIRED IF:

(I) THE INFORMATION TECHNOLOGY IS NOT AVAILABLE WITH NONVISUAL ACCESS BECAUSE THE ESSENTIAL ELEMENTS OF THE INFORMATION TECHNOLOGY ARE VISUAL AND NONVISUAL EQUIVALENCE CANNOT BE DEVELOPED; OR

(II) THE COST OF MODIFYING THE INFORMATION TECHNOLOGY FOR COMPATIBILITY WITH SOFTWARE AND HARDWARE FOR NONVISUAL ACCESS WOULD INCREASE THE PRICE OF THE PROCUREMENT BY MORE THAN 5%.

**3A-312.**

THE SECRETARY MAY DELEGATE THE DUTIES SET FORTH IN THIS SUBTITLE TO CARRY OUT ITS PURPOSES.

**SUBTITLE 4. TELECOMMUNICATIONS.**

**3A-401.**

(A) THE DEPARTMENT SHALL:

(1) COORDINATE THE DEVELOPMENT, PROCUREMENT, MANAGEMENT, AND OPERATION OF TELECOMMUNICATION EQUIPMENT, SYSTEMS, AND SERVICES BY STATE GOVERNMENT;

(2) ACQUIRE AND MANAGE COMMON USER TELECOMMUNICATION EQUIPMENT, SYSTEMS, OR SERVICES AND CHARGE UNITS OF STATE GOVERNMENT FOR THEIR PROPORTIONATE SHARE OF THE COSTS OF INSTALLATION, MAINTENANCE, AND OPERATION OF THE COMMON USER TELECOMMUNICATION EQUIPMENT, SYSTEMS, OR SERVICES;

(3) PROMOTE COMPATIBILITY OF TELECOMMUNICATION SYSTEMS BY DEVELOPING POLICIES, PROCEDURES, AND STANDARDS FOR THE ACQUISITION AND USE OF TELECOMMUNICATION EQUIPMENT, SYSTEMS, AND SERVICES BY UNITS OF STATE GOVERNMENT;

(4) COORDINATE STATE GOVERNMENT TELECOMMUNICATION SYSTEMS AND SERVICES BY REVIEWING REQUESTS BY UNITS OF STATE GOVERNMENT FOR TELECOMMUNICATION EQUIPMENT, SYSTEMS, OR SERVICES;

(5) ADVISE UNITS OF STATE GOVERNMENT ABOUT PLANNING, ACQUISITION, AND OPERATION OF TELECOMMUNICATION EQUIPMENT, SYSTEMS, OR SERVICES; AND

(6) PROVIDE RADIO FREQUENCY COORDINATION FOR STATE AND LOCAL GOVERNMENTS IN ACCORDANCE WITH REGULATIONS OF THE FEDERAL COMMUNICATIONS COMMISSION.

(B) THE DEPARTMENT MAY MAKE ARRANGEMENT FOR A USER OTHER THAN A UNIT OF STATE GOVERNMENT TO HAVE ACCESS TO AND USE OF STATE TELECOMMUNICATION EQUIPMENT, SYSTEMS, AND SERVICES AND SHALL CHARGE THE USER ANY APPROPRIATE AMOUNT TO COVER THE COST OF INSTALLATION, MAINTENANCE, AND OPERATION OF THE TELECOMMUNICATION EQUIPMENT, SYSTEM, OR SERVICE PROVIDED.

### **3A-402.**

(A) THE PROVISIONS OF THIS SUBTITLE DO NOT APPLY TO A TELECOMMUNICATION SYSTEM OR SERVICE THAT IS OWNED OR OPERATED BY THE UNIVERSITY SYSTEM OF MARYLAND, MORGAN STATE UNIVERSITY, OR A UNIT OF THE LEGISLATIVE OR JUDICIAL BRANCH.

(B) THE PROVISIONS OF THIS SUBTITLE DO NOT PREEMPT THE AUTHORITY OF THE MARYLAND PUBLIC BROADCASTING COMMISSION TO OWN, OPERATE, OR MANAGE TELECOMMUNICATION EQUIPMENT, SYSTEMS, OR SERVICES.

### **3A-403.**

TELECOMMUNICATIONS, INCLUDING THOSE OF THE MARYLAND PUBLIC BROADCASTING SYSTEM, SHALL BE CONSISTENT WITH STATEWIDE INFORMATION TECHNOLOGY POLICIES AND STANDARDS AND THE STATEWIDE INFORMATION TECHNOLOGY MASTER PLAN.

### **3A-404.**

(A) THE GENERAL ASSEMBLY DECLARES THAT:

(1) IT IS THE POLICY OF THE STATE TO FOSTER TELECOMMUNICATION AND COMPUTER NETWORKING AMONG STATE AND LOCAL GOVERNMENTS, THEIR AGENCIES, AND EDUCATIONAL INSTITUTIONS IN THE STATE;

(2) THERE IS A NEED TO IMPROVE ACCESS, ESPECIALLY IN RURAL AREAS, TO EFFICIENT TELECOMMUNICATION AND COMPUTER NETWORK CONNECTIONS;

(3) IMPROVEMENT OF TELECOMMUNICATION AND COMPUTER NETWORKING FOR STATE AND LOCAL GOVERNMENTS AND EDUCATIONAL INSTITUTIONS PROMOTES ECONOMIC DEVELOPMENT, EDUCATIONAL RESOURCE USE AND DEVELOPMENT, AND EFFICIENCY IN STATE AND LOCAL ADMINISTRATION;

(4) RATES FOR THE INTRASTATE INTER-LATA TELEPHONE COMMUNICATIONS NEEDED FOR EFFECTIVE INTEGRATION OF TELECOMMUNICATION AND COMPUTER RESOURCES ARE PROHIBITIVE FOR MANY SMALLER GOVERNMENTS, AGENCIES, AND INSTITUTIONS; AND

(5) THE USE OF IMPROVED STATE TELECOMMUNICATION AND COMPUTER NETWORKING UNDER THIS SECTION IS INTENDED NOT TO COMPETE WITH COMMERCIAL ACCESS TO ADVANCED NETWORK TECHNOLOGY, BUT RATHER TO FOSTER FUNDAMENTAL EFFICIENCIES IN GOVERNMENT AND EDUCATION FOR THE PUBLIC GOOD.

(B) (1) THE DEPARTMENT SHALL ESTABLISH A TELECOMMUNICATION AND COMPUTER NETWORK IN THE STATE.

(2) THE NETWORK SHALL CONSIST OF:

(I) ONE OR MORE CONNECTION FACILITIES FOR TELECOMMUNICATION AND COMPUTER CONNECTION IN EACH LOCAL ACCESS TRANSPORT AREA (LATA) IN THE STATE; AND

(II) FACILITIES, AUXILIARY EQUIPMENT, AND SERVICES REQUIRED TO SUPPORT THE NETWORK IN A RELIABLE AND SECURE MANNER.

(C) THE NETWORK SHALL BE ACCESSIBLE THROUGH DIRECT CONNECTION AND THROUGH LOCAL INTRA-LATA TELECOMMUNICATIONS TO STATE AND LOCAL GOVERNMENTS AND PUBLIC AND PRIVATE EDUCATIONAL INSTITUTIONS IN THE STATE.

**SUBTITLE 5. TELECOMMUNICATIONS ACCESS OF MARYLAND.****3A-501.**

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

(B) “BOARD” MEANS THE GOVERNOR’S ADVISORY BOARD FOR TELECOMMUNICATIONS RELAY.

(C) “DUAL PARTY TELEPHONE RELAY PROGRAM” MEANS A SERVICE THAT PROVIDES FULL AND SIMULTANEOUS COMMUNICATION BETWEEN A PERSON OR PERSONS WITH A DISABILITY THAT PREVENTS THEM FROM USING A STANDARD TELEPHONE AND A PERSON OR PERSONS WITHOUT THAT DISABILITY USING CONVENTIONAL TELEPHONE EQUIPMENT OR OTHER TECHNOLOGY OR EQUIPMENT, WHEREBY THE DISABLED PERSON OR PERSONS HAVE THEIR MESSAGE RELAYED THROUGH AN INTERMEDIARY PARTY USING SPECIALIZED TELECOMMUNICATIONS EQUIPMENT.

(D) “PROGRAM” MEANS THE DUAL PARTY TELEPHONE RELAY PROGRAM.

(E) “PROGRAM PARTICIPANT” MEANS A RESIDENT OF THE STATE WHO USES THE DUAL PARTY TELEPHONE RELAY PROGRAM.

(F) “TELECOMMUNICATIONS DEVICE FOR THE DEAF” OR “TDD/TT/TTY” MEANS ALL TYPES OF MECHANICAL DEVICES THAT ENABLE DISABLED INDIVIDUALS TO COMMUNICATE THROUGH MESSAGES SENT AND RECEIVED THROUGH A TELEPHONE OR WIRELESS NETWORK.

(G) (1) “SPECIALIZED CUSTOMER TELEPHONE EQUIPMENT” MEANS ANY COMMUNICATIONS DEVICE THAT ENABLES OR ASSISTS A PERSON WITH A DISABILITY TO COMMUNICATE WITH OTHERS BY MEANS OF THE PUBLIC SWITCHED TELEPHONE NETWORK OR INTERNET PROTOCOL-ENABLED VOICE COMMUNICATIONS SERVICE.

(2) “SPECIALIZED CUSTOMER TELEPHONE EQUIPMENT” INCLUDES:

(i) TDD/TT/TTY;

(ii) AMPLIFIERS;

- (III) CAPTIONED TELEPHONES;
- (IV) VRS EQUIPMENT;
- (V) CELL PHONES;
- (VI) PAGERS;
- (VII) PUFF BLOW DEVICES;
- (VIII) BRAILLE-TTY DEVICES; AND
- (IX) EQUIPMENT FOR THE MOBILITY DISABLED.

**3A-502.**

**THERE IS A GOVERNOR'S ADVISORY BOARD FOR TELECOMMUNICATIONS RELAY IN THE DEPARTMENT.**

**3A-503.**

~~THE DEPARTMENT IN CONSULTATION WITH THE BOARD SHALL ESTABLISH AND ADMINISTER A PROGRAM TO PROVIDE COST EFFICIENT, 24 HOUR, DUAL PARTY RELAY SERVICE TO PROGRAM PARTICIPANTS AT A COMPARABLE LEVEL OF ACCESS AND QUALITY THAT A STANDARD TELECOMMUNICATION SERVICE PROVIDES TO A PERSON WITHOUT A HEARING OR SPEECH DISABILITY.~~

~~**3A-504.**~~

**(A) THE BOARD SHALL BE COMPOSED OF 12 INDIVIDUALS APPOINTED BY THE GOVERNOR, WHO SHALL DESIGNATE THE CHAIR, INCLUDING:**

**(1) FIVE REPRESENTATIVES OF THE DEAF OR HARD OF HEARING COMMUNITY;**

**(2) ONE REPRESENTATIVE OF THE MOBILITY-IMPAIRED COMMUNITY WHO REQUIRES THE USE OF SPECIALIZED CUSTOMER TELEPHONE EQUIPMENT;**

**(3) ONE REPRESENTATIVE OF THE SPEECH-IMPAIRED COMMUNITY WHO REQUIRES THE USE OF SPECIALIZED CUSTOMER TELEPHONE EQUIPMENT;**

(4) ONE REPRESENTATIVE OF THE SENIOR CITIZEN COMMUNITY WHO REQUIRES THE USE OF SPECIALIZED CUSTOMER TELEPHONE EQUIPMENT;

(5) ONE REPRESENTATIVE OF THE DEAF-BLIND COMMUNITY; AND

(6) THREE REPRESENTATIVES OF GOVERNMENT, ONE OF WHOM IS A REPRESENTATIVE OF THE PUBLIC SERVICE COMMISSION<sup>2</sup>.

(B) (1) THE TERM OF A MEMBER IS 3 YEARS.

(2) THE TERMS OF MEMBERS ARE STAGGERED AS REQUIRED BY THE TERMS PROVIDED FOR MEMBERS OF THE BOARD ON JUNE 30, 2008.

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

(4) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.

(5) THE GOVERNOR MAY REMOVE A MEMBER FOR INCOMPETENCE OR MISCONDUCT.

(C) THE MEMBERS OF THE BOARD SHALL SERVE WITHOUT COMPENSATION, BUT SHALL BE REIMBURSED FOR ALL REASONABLE EXPENSES INCURRED IN THE PERFORMANCE OF THEIR DUTIES.

(D) BY JANUARY 1 OF EACH YEAR, THE BOARD SHALL FILE AN ANNUAL REPORT ON ITS ACTIVITIES TO THE GENERAL ASSEMBLY IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE.

(E) THE BOARD SHALL ADVISE THE DEPARTMENT WITH REGARD TO THE PROGRAM'S:

(1) LEVEL OF ACCESS TO PROGRAM PARTICIPANTS; AND

(2) QUALITY OF SERVICE.

~~3A-505.~~ 3A-504.

(A) THE DEPARTMENT IN CONSULTATION WITH THE BOARD SHALL:

**(1) ESTABLISH AND ADMINISTER A PROGRAM TO PROVIDE COST-EFFICIENT, 24-HOUR, DUAL PARTY RELAY SERVICE TO PROGRAM PARTICIPANTS AT A COMPARABLE LEVEL OF ACCESS AND QUALITY THAT A STANDARD TELECOMMUNICATION SERVICE PROVIDES TO A PERSON WITHOUT A HEARING OR SPEECH DISABILITY;**

**~~(1)~~ (2) DEVELOP THE PROGRAM IN COLLABORATION WITH STATE PROGRAMS CURRENTLY SERVING DISABLED INDIVIDUALS AND WITH COMMUNITY AGENCIES OR OTHER ORGANIZATIONS THAT HAVE ESTABLISHED RELAY PROGRAMS; AND**

**~~(2)~~ (3) MAINTAIN AN INFORMATION AND REFERRAL SERVICE TO PROVIDE INFORMATION ABOUT THE AVAILABILITY OF THE RELAY SERVICE.**

**(B) THE DEPARTMENT IN CONSULTATION WITH THE BOARD MAY:**

**(1) CONTRACT WITH A PRIVATE VENDOR OR NONPROFIT ORGANIZATION TO PROVIDE THE INFORMATION AND REFERRAL SERVICE REQUIRED UNDER SUBSECTION ~~(A)(2)~~ (A)(3) OF THIS SECTION; AND**

**(2) PROVIDE APPROPRIATE STAFF ASSISTANCE FROM THE DEPARTMENT TO ASSIST THE BOARD IN CARRYING OUT ITS DUTIES UNDER THIS SUBTITLE.**

**~~3A-506.~~ 3A-505.**

**THE DEPARTMENT IN CONSULTATION WITH THE BOARD SHALL ADOPT REGULATIONS TO CARRY OUT THE PURPOSES OF THIS SUBTITLE.**

**~~3A-507.~~ 3A-506.**

**(A) THE PROGRAMS UNDER ~~§ 3A-503~~ § 3A-504(A) OF THIS SUBTITLE AND 3A-602(A) OF THIS TITLE SHALL BE FUNDED AS PROVIDED IN THE STATE BUDGET.**

**(B) THERE IS A UNIVERSAL SERVICE TRUST FUND CREATED FOR THE PURPOSE OF PAYING THE COSTS OF MAINTAINING AND OPERATING THE PROGRAM UNDER ~~§ 3A-503~~ § 3A-504(A) OF THIS SUBTITLE SUBJECT TO THE LIMITATIONS AND CONTROLS PROVIDED IN THIS SUBTITLE, AND THE PROGRAM UNDER § 3A-602(A) OF THIS TITLE SUBJECT TO THE LIMITATIONS AND CONTROLS PROVIDED IN SUBTITLE 6 OF THIS TITLE. MONEYS IN THE UNIVERSAL SERVICE TRUST FUND SHALL BE HELD IN THE STATE TREASURY.**

(C) (1) THE COSTS OF THE PROGRAMS UNDER ~~§ 3A-503~~ § 3A-504(A) OF THIS SUBTITLE AND § 3A-602(A) OF THIS TITLE SHALL BE FUNDED BY REVENUES GENERATED BY A SURCHARGE TO BE PAID BY THE SUBSCRIBERS TO SWITCHED LOCAL EXCHANGE ACCESS SERVICE AND BY OTHER FUNDS AS THE BUDGET MAY PROVIDE.

(2) THE SURCHARGE MAY NOT EXCEED 45 CENTS PER MONTH AND SHALL BE APPLIED TO ALL CURRENT BILLS RENDERED FOR SWITCHED LOCAL EXCHANGE ACCESS SERVICE IN THE STATE. THE SURCHARGE IS PAYABLE AT THE TIME THE BILLS FOR TELEPHONE SERVICE ARE DUE.

(D) (1) THE SECRETARY SHALL ANNUALLY CERTIFY TO THE PUBLIC SERVICE COMMISSION THE COSTS OF THE PROGRAMS UNDER ~~§ 3A-503~~ § 3A-504(A) OF THIS SUBTITLE AND § 3A-602(A) OF THIS TITLE TO BE PAID BY THE UNIVERSAL SERVICE TRUST FUND.

(2) THE PUBLIC SERVICE COMMISSION SHALL DETERMINE THE SURCHARGE NECESSARY TO FUND THE PROGRAMS UNDER ~~§ 3A-503~~ § 3A-504(A) OF THIS SUBTITLE AND § 3A-602(A) OF THIS TITLE AND SHALL, ON 60 DAYS' NOTICE, DIRECT THE AFFECTED TELEPHONE COMPANIES TO ADD THE SURCHARGE TO ALL CURRENT BILLS RENDERED FOR SWITCHED LOCAL EXCHANGE ACCESS SERVICE IN THE STATE.

(E) (1) THE AFFECTED TELEPHONE COMPANIES SHALL ACT AS COLLECTION AGENTS FOR THE UNIVERSAL SERVICE TRUST FUND AND SHALL REMIT ALL PROCEEDS MONTHLY TO THE COMPTROLLER FOR DEPOSIT TO THE UNIVERSAL SERVICE TRUST FUND.

(2) THE TELEPHONE COMPANIES SHALL BE ENTITLED TO CREDIT AGAINST THESE PROCEEDS IN AN AMOUNT EQUAL TO 1 1/2 PERCENT OF THESE PROCEEDS TO COVER THE EXPENSES OF BILLING, COLLECTING, AND REMITTING THE SURCHARGE AND ANY ADDITIONAL CHARGES.

(F) (1) THE SECRETARY SHALL ADMINISTER THE UNIVERSAL SERVICE TRUST FUND.

(2) THE INCOME DERIVED FROM INVESTMENT OF MONEY IN THE FUND SHALL ACCRUE TO THE FUND.

(G) (1) THE LEGISLATIVE AUDITOR SHALL CONDUCT POSTAUDITS OF A FISCAL AND COMPLIANCE NATURE OF THE UNIVERSAL SERVICE TRUST FUND AND THE EXPENDITURES MADE FOR PURPOSES OF ~~§ 3A-503~~ § 3A-504(A) OF THIS SUBTITLE AND § 3A-602(A) OF THIS TITLE.

**(2) THE COST OF THE FISCAL PORTION OF THE POSTAUDIT EXAMINATION SHALL BE PAID FROM THE UNIVERSAL SERVICE TRUST FUND AS AN ADMINISTRATIVE COST.**

**SUBTITLE 6. TELECOMMUNICATIONS DEVICES AND DISTRIBUTION OF ACCESSIBLE INFORMATION FOR DISABLED INDIVIDUALS.**

**3A-601.**

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

**(B) "BOARD" MEANS THE GOVERNOR'S ADVISORY BOARD FOR TELECOMMUNICATIONS RELAY ESTABLISHED IN SUBTITLE 5 OF THIS TITLE.**

**(C) "PROGRAM" MEANS THE PROGRAM DEVELOPED AND ADMINISTERED BY THE DEPARTMENT IN CONSULTATION WITH THE BOARD AND THE DEPARTMENT OF DISABILITIES TO PROVIDE FINANCIAL ASSISTANCE FOR THE PURCHASE OF SPECIALIZED CUSTOMER TELEPHONE EQUIPMENT BY ELIGIBLE PROGRAM PARTICIPANTS.**

**(D) "PROGRAM PARTICIPANT" MEANS A PERSON WHO:**

**(1) IS A RESIDENT OF THE STATE;**

**(2) IS CERTIFIED BY A LICENSED PROFESSIONAL AS HAVING A DISABILITY WHICH SERIOUSLY LIMITS OR PROHIBITS THE USE OF THE TELEPHONE OR WIRELESS NETWORK WITHOUT SPECIALIZED CUSTOMER TELEPHONE EQUIPMENT;**

**(3) IS CERTIFIED BY A LICENSED PROFESSIONAL AS BEING ABLE TO USE SPECIALIZED CUSTOMER TELEPHONE EQUIPMENT FOR WHICH APPLICATION IS MADE;**

**(4) MEETS THE FINANCIAL ELIGIBILITY REQUIREMENTS ESTABLISHED BY THE DEPARTMENT IN CONSULTATION WITH THE DEPARTMENT OF DISABILITIES AS A RECIPIENT OF:**

**(i) TRANSITIONAL EMERGENCY MEDICAL AND HOUSING ASSISTANCE (TEMHA);**

(II) SUPPLEMENTAL SECURITY INCOME (SSI);

(III) SOCIAL SECURITY DISABILITY INCOME (SSDI); OR

(IV) TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF); AND

(5) AT THE TIME OF APPLICATION IS NOT RECEIVING SIMILAR SERVICES WHICH ARE AVAILABLE AND CAN BE PROVIDED IN A TIMELY MANNER THROUGH ANOTHER PROGRAM.

(E) "QUALIFIED ENTITY" MEANS A NONPROFIT ORGANIZATION THAT:

(1) PRODUCES AUDIO EDITIONS OF DAILY NEWSPAPERS, AVAILABLE FOR INTERSTATE DISTRIBUTION USING HIGH-SPEED COMPUTER AND TELECOMMUNICATIONS TECHNOLOGY; AND

(2) PROVIDES A MEANS OF PROGRAM ADMINISTRATION AND READER REGISTRATION ON THE INTERNET.

(F) "SPECIALIZED CUSTOMER TELEPHONE EQUIPMENT" OR "EQUIPMENT" MEANS ANY COMMUNICATIONS DEVICE DESIGNED TO ASSIST PROGRAM PARTICIPANTS IN USING A TELEPHONE OR WIRELESS SERVICE PROVIDER'S NETWORK.

(G) "SYSTEM" MEANS THE METHOD WHICH THE DEPARTMENT SHALL USE TO PROVIDE EQUIPMENT TO ELIGIBLE PROGRAM PARTICIPANTS.

### **3A-602.**

(A) IN ACCORDANCE WITH THE STATE BUDGET AND ~~§ 3A-507~~ **§ 3A-506** OF THIS TITLE, THE DEPARTMENT, IN CONSULTATION WITH THE BOARD AND THE DEPARTMENT OF DISABILITIES, SHALL ESTABLISH AND ADMINISTER A PROGRAM:

(1) TO PROVIDE SPECIALIZED CUSTOMER TELEPHONE EQUIPMENT TO ELIGIBLE PROGRAM PARTICIPANTS; AND

(2) TO PROVIDE REIMBURSEMENT OF COSTS UNDER **§ 3A-606** OF THIS SUBTITLE.

(B) (1) IN THIS SUBSECTION, "SHOPPING FACILITY" MEANS AN OUTDOOR OR INDOOR RETAIL FACILITY WITH A COMMON PEDESTRIAN AREA

HOUSING MORE THAN FIVE SALES OR RENTAL ESTABLISHMENTS IN WHICH A MAJORITY OF THE TENANTS HAVE A MAIN ENTRANCE FROM THE COMMON PEDESTRIAN AREA.

(2) THIS SUBSECTION APPLIES TO A SHOPPING FACILITY THAT:

(I) PROVIDES A TOTAL NUMBER OF FOUR OR MORE PUBLIC PAY TELEPHONES AT THE FACILITY OF WHICH AT LEAST ONE IS LOCATED IN THE COMMON PEDESTRIAN AREA; AND

(II) IS LARGER THAN 500,000 SQUARE FEET.

(3) IN ACCORDANCE WITH THE STANDARDS AND REGULATIONS ESTABLISHED BY THE DEPARTMENT, THE OWNER, OPERATOR, MANAGER, OR OTHER PERSON HAVING CONTROL OF A SHOPPING FACILITY SHALL ACQUIRE AND INSTALL AT LEAST ONE SPECIALIZED COMMUNICATIONS DEVICE DESIGNED TO ENABLE CUSTOMERS WITH HEARING OR SPEECH DISABILITIES TO ACCESS A TELEPHONE OR WIRELESS SERVICE PROVIDERS NETWORK.

**3A-603.**

(A) THE DEPARTMENT, IN CONSULTATION WITH THE BOARD AND THE DEPARTMENT OF DISABILITIES, SHALL:

(1) PROVIDE A SYSTEM FOR ELIGIBLE PROGRAM PARTICIPANTS TO OBTAIN EQUIPMENT, BUT NO SINGLE ELIGIBLE PARTICIPANT SHALL RECEIVE MORE THAN \$6,000;

(2) ESTABLISH AN INFORMATION AND REFERRAL SERVICE, INCLUDING THE TOLL-FREE NUMBERS FOR THE VARIOUS ACCESS MODES FOR THE MARYLAND RELAY SERVICE AND PROVIDE INFORMATION ABOUT THE AVAILABILITY OF THE EQUIPMENT;

(3) CONTRACT WITH PRIVATE VENDORS OR NONPROFIT ORGANIZATIONS TO PROVIDE THE INFORMATION AND REFERRAL SERVICE AND OTHER AUXILIARY SERVICES;

(4) AS NECESSARY, ESTABLISH INTERAGENCY AGREEMENTS WITH OTHER STATE AGENCIES THAT PROVIDE TECHNICAL ASSISTANCE FOR DISABLED INDIVIDUALS TO PREVENT DUPLICATIVE PROGRAMS; AND

(5) APPOINT APPROPRIATE STAFF TO ASSIST THE BOARD IN CARRYING OUT ITS ACTIVITIES UNDER THIS SUBTITLE.

**(B) THE BOARD AND THE DEPARTMENT OF DISABILITIES SHALL:**

- (1) ASSIST THE DEPARTMENT IN THE DEVELOPMENT OF REGULATIONS;**
- (2) DEVELOP AND IMPLEMENT EDUCATIONAL OUTREACH PROGRAMS;**
- (3) REVIEW AND MONITOR THE PROGRAM; AND**
- (4) ADVISE THE DEPARTMENT ON UNUSUAL HARDSHIP CASES.**

**3A-604.**

**THIS SUBTITLE MAY NOT BE CONSTRUED TO ESTABLISH AN ENTITLEMENT PROGRAM.**

**3A-605.**

**THE DEPARTMENT IN CONSULTATION WITH THE BOARD AND THE DEPARTMENT OF DISABILITIES SHALL ADOPT REGULATIONS TO CARRY OUT THE PURPOSES OF THIS SUBTITLE.**

**3A-606.**

**(A) THE DEPARTMENT IN CONSULTATION WITH THE BOARD AND THE DEPARTMENT OF DISABILITIES SHALL ENTER INTO AN AGREEMENT WITH THE STATE DEPARTMENT OF EDUCATION, DIVISION OF LIBRARY DEVELOPMENT AND SERVICES, PROVIDING FOR AN ANNUAL PAYMENT TO BE MADE TO THE DIVISION IN AN AMOUNT EQUAL TO THE COST INCURRED FOR THE DISTRIBUTION OF NEWSPAPERS IN A COMPUTERIZED AUDIO FORMAT.**

**(B) UNDER THE AGREEMENT, THE DIVISION OF LIBRARY DEVELOPMENT AND SERVICES SHALL PROVIDE ELIGIBLE BLIND AND DISABLED INDIVIDUALS WITH ACCESS TO NEWSPAPERS IN A COMPUTERIZED AUDIO FORMAT BY A QUALIFIED ENTITY.**

**11-101.**

- (l) "Primary procurement units" means:**
  - (1) the State Treasurer;**

- (2) the Department of Budget and Management;
- (3) the Department of General Services;
- (4) the Department of Transportation;
- (5) THE DEPARTMENT OF INFORMATION TECHNOLOGY;**
- ~~[(5)]~~ **(6)** the University System of Maryland;
- ~~[(6)]~~ **(7)** the Maryland Port Commission;
- ~~[(7)]~~ **(8)** the Department of Public Safety and Correctional Services;
- ~~[(8)]~~ **(9)** the Morgan State University; and
- ~~[(9)]~~ **(10)** the St. Mary's College of Maryland.

12-107.

(b) Subject to the authority of the Board, jurisdiction over procurement is as follows:

(2) the Department of Budget and Management may control procurement of:

(i) [information processing equipment and associated services, as provided in Title 3, Subtitle 4 of this article;

(ii)] services by a unit, subject to any limitation in this Division II; and

~~[(iii)]~~ **(II)** leases of motor vehicles, as provided in Title 3, Subtitle 5 of this article;

(5) the Maryland Port Commission, without the approval of any of the other primary procurement units, may engage in the procurement of:

(i) supplies for port related activities, including motor vehicles and information processing supplies, but excluding:

1. supplies funded by the proceeds from State general obligation bonds; and

## 2. insurance;

(ii) services for port related activities, including information processing services, but excluding banking and financial services under the authority of the State Treasurer under item (1) of this subsection;

(iii) construction and construction related services for a port facility as defined in § 6-101(e) of the Transportation Article;

(iv) port related architectural and engineering services under Title 13, Subtitle 3 of this article; and

(v) leases of real property for port related activities unless the lease payments are from the General Fund of the State; [and]

(6) the Department of Public Safety and Correctional Services may, without the approval of any of the other primary procurement units:

(i) engage in the procurement of construction and construction related services for State correctional facilities; and

(ii) engage in the procurement of supplies, materials, and equipment in support of construction and construction related services for State correctional facilities in accordance with this Division II and Title 2 and Title 10, Subtitle 1 of the Correctional Services Article; AND

**(7) THE DEPARTMENT OF INFORMATION TECHNOLOGY MAY CONTROL PROCUREMENT OF:**

**(I) INFORMATION PROCESSING EQUIPMENT AND ASSOCIATED SERVICES, AS PROVIDED IN TITLE 3A, SUBTITLE 3 OF THIS ARTICLE; AND**

**(II) TELECOMMUNICATION EQUIPMENT, SYSTEMS, OR SERVICES, AS PROVIDED IN TITLE 3A, SUBTITLE 4 OF THIS ARTICLE.**

13-401.

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

(b) "Information technology" has the meaning stated in [§ 3-402] ~~§ 3A-302~~ **§ 3A-301** of this article.

(c) "Secretary" means the Secretary of [Budget and Management] **INFORMATION TECHNOLOGY**.

13-402.

(a) [By regulation, the] **THE** Secretary shall adopt a streamlined procurement process for procurement of information technology services that provides for the qualification of an offeror in one or more categories of information technology services.

14-501.

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

(b) "Designated procurement unit" means:

- (1) the State Treasurer;
- (2) the Department of [Budget and Management] **INFORMATION TECHNOLOGY**;
- (3) the Department of Business and Economic Development;
- (4) the Department of the Environment;
- (5) the Department of General Services;
- (6) the Department of Health and Mental Hygiene;
- (7) the Department of Housing and Community Development;
- (8) the Department of Human Resources;
- (9) the Department of Juvenile Services;
- (10) the Department of Labor, Licensing, and Regulation;
- (11) the Department of Natural Resources;
- (12) the State Department of Education;
- (13) the Department of State Police;
- (14) the Department of Public Safety and Correctional Services;

- (15) the Department of Transportation;
- (16) the University System of Maryland;
- (17) the Maryland Port Commission;
- (18) the State Retirement Agency;
- (19) the Maryland Insurance Administration;
- (20) the Maryland Stadium Authority;
- (21) the State Lottery Agency; and
- (22) the Morgan State University.

SECTION 3. AND BE IT FURTHER ENACTED, That, on July 1, 2008, all the functions, powers, duties, equipment, assets, liabilities, and employees of the Office of Information Technology in the Department of Budget and Management shall be transferred to the Department of Information Technology.

SECTION 4. AND BE IT FURTHER ENACTED, That all appropriations, including State and federal funds, held by the Department of Budget and Management to carry out the functions and programs transferred under this Act shall be transferred to the Department of Information Technology on the effective date of this Act.

SECTION 5. AND BE IT FURTHER ENACTED, That an employee transferred under this Act shall be appointed without further examination or qualification. The employee shall be placed in a classification that is comparable in duties and responsibilities to the employee's former position. The employee may not suffer a diminution of salary or wages, accrued leave, whether earned or granted, or seniority rights.

SECTION 6. AND BE IT FURTHER ENACTED, That nothing in this Act affects the terms of office of an appointed or elected member of any division, board, commission, authority, council, committee, office, or unit. An individual who is a member of a division, board, commission, authority, council, committee, office, or unit on the effective date of this Act shall remain a member for the balance of the term to which the member is appointed or elected, unless the member sooner dies, resigns, or is removed under provisions of law.

SECTION 7. AND BE IT FURTHER ENACTED, That, except as expressly provided to the contrary in this Act, any transaction affected by or flowing from any statute here amended, repealed, or transferred, and validly entered into before the

effective date of this Act, and every right, duty, or interest following from the transaction, remains valid after the effective date of this Act and may be terminated, completed, consummated, or enforced pursuant to law.

SECTION 8. AND BE IT FURTHER ENACTED, That the publisher of the Annotated Code of Maryland, in consultation with and subject to the approval of the Department of Legislative Services, shall correct, with no further action required by the General Assembly, cross-references and terminology rendered incorrect by this Act or by any other Act of the General Assembly of 2008 that affects provisions enacted by this Act. The publishers shall adequately describe any such correction in an editor's note following the section affected.

SECTION 9. AND BE IT FURTHER ENACTED, That, except as otherwise provided by law, all existing laws, rules and regulations, proposed rules and regulations, standards and guidelines, policies, orders and other directives, forms, plans, memberships, contracts, property, investigations, administrative and judicial responsibilities, rights to sue and be sued, and all other duties and responsibilities associated with the functions of the Department of Budget and Management's Office of Information Technology prior to the effective date of this Act shall continue in effect under the Department of Information Technology until completed, withdrawn, canceled, modified, or otherwise changed pursuant to law.

SECTION 10. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2008.

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May 22, 2008

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate  
State House  
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 292 – *Garrett County – Alcoholic Beverages – Referendum on Sunday Sales in County Districts*.

This bill authorizes Sunday sales of specified alcoholic beverages in those election districts of Garrett County in which voters approve a local referendum in favor of Sunday sales under specified circumstances.

House Bill 276, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 292.

Sincerely,

Governor

### **Senate Bill 292**

AN ACT concerning

#### **Garrett County – Alcoholic Beverages – Referendum on Sunday Sales in County Districts**

FOR the purpose of authorizing Sunday sales of certain alcoholic beverages in those election districts of Garrett County in which voters approve a local referendum in favor of Sunday sales under certain circumstances; providing for the referendum and an effective date; requiring the Board of Supervisors of Elections of Garrett County to carry out certain duties; and generally relating to alcoholic beverages in Garrett County.

BY repealing and reenacting, without amendments,  
Article 2B – Alcoholic Beverages  
Section 11-512(a)  
Annotated Code of Maryland  
(2005 Replacement Volume and 2007 Supplement)

BY repealing and reenacting, with amendments,  
Article 2B – Alcoholic Beverages  
Section 11-512(c)  
Annotated Code of Maryland  
(2005 Replacement Volume and 2007 Supplement)

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

#### **Article 2B – Alcoholic Beverages**

11-512.

(a) This section applies only in Garrett County.

(c) (1) The provisions of this subsection apply [only] in:

(I) [election] **ELECTION** districts 11 and 15 [In those election districts], **IN WHICH** the voters [have] approved Sunday sales in the referendum authorized by law in November 1996[.]; **AND**

(II) **ANY OTHER ELECTION DISTRICT IN WHICH THE VOTERS IN A REFERENDUM AUTHORIZED BY LAW APPROVE SUNDAY SALES AS SPECIFIED IN THIS SUBSECTION.**

(2) This subsection only applies to on-premises sales by holders of Class C service club licenses and, subject to paragraph (4) of this subsection, holders of Class B licenses, special 2-day Class C licenses, special 6-day Class C licenses, and special 12-day Class C licenses.

(3) Sunday sales may begin, where permitted, at 1 p.m. and continue until 10 p.m.

(4) (i) This paragraph does not apply to a holder of a Class C service club license.

(ii) Sunday sales may be made only when the consumer places an order for a meal simultaneously or prior to placing an order for an alcoholic beverage or the consumer is otherwise entitled to a meal on the premises as part of a prearranged event, such as a banquet, where the alcoholic beverage is served. Bar or counter sales may be made as long as the consumer complies with the requirement of this paragraph.

(5) In addition to the usual license fee, the holder of a Class C service club license or Class B license who wants to provide Sunday sales and who is otherwise eligible to provide Sunday sales under this subsection shall pay an additional \$250 for the privilege of Sunday sales.

(6) At the time the Class C service club license or Class B license is issued, the Board shall charge a \$250 issuing fee.

**SECTION 2. AND BE IT FURTHER ENACTED,** That before this Act becomes effective, it shall be first submitted to a referendum of the legally qualified voters of election districts 1, 2, 3-1, 3-2, 4, 5, 6, 7, 8-1, 8-2, 9, 10, 12, 13, 14-1, 14-2, and 16 in Garrett County at the general election to be held in November of 2008. The Board of County Commissioners and the Board of Supervisors of Elections of Garrett County

shall do those things necessary and proper to provide for and hold the referendum required by this section. If a majority of the votes cast in an election district on the question are "For the referred law", the provisions of this Act shall become effective in that election district on December 15, 2008, but if a majority of the votes cast in a particular election district on the question are "Against the referred law", the provisions of this Act are of no effect and null and void in that election district. The Board of Supervisors of Elections in Garrett County shall notify the State Department of Legislative Services concerning the results of the referendum in each election district.

SECTION 3. AND BE IT FURTHER ENACTED, That, subject to the provisions of Section 2 of this Act, and for the sole purpose of providing for the referendum required by Section 2 of this Act, this Act shall take effect July 1, 2008.

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May 22, 2008

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate  
State House  
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 310 – *Annual Financial and Audit Reports – Filing Date*.

This bill authorizes Frederick County to file its annual financial report with the Maryland Department of Legislative Services by the first day of January after the close of the fiscal year. The bill also alters the date by which a specified audit report must be submitted by a county, municipal corporation, or taxing district to the Legislative Auditor.

House Bill 254, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 310.

Sincerely,

Governor

**Senate Bill 310**

AN ACT concerning

**Frederick County – Annual Financial Report and Audit Reports – Filing Date**

FOR the purpose of altering the date by which Frederick County may file its annual financial report for the fiscal year with the Maryland Department of Legislative Services; ~~and generally relating to the annual financial report of Frederick County~~ altering the date by which a certain audit report must be submitted by a county, municipal corporation, or taxing district to the Legislative Auditor; making certain stylistic changes; and generally relating to annual financial and audit reports of counties, municipal corporations, and taxing districts.

BY repealing and reenacting, with amendments,  
Article 19 – Comptroller  
Section 37 and 40(a)  
Annotated Code of Maryland  
(2005 Replacement Volume and 2007 Supplement)

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

**Article 19 – Comptroller**

37.

(a) (1) Except as provided in paragraph (2) of this subsection, each county, municipal corporation, and taxing district in the State shall by the first day of November after the close of the fiscal year file with the Department of Legislative Services its financial report covering the full period of that fiscal year.

(2) (i) Each county, municipal corporation, or taxing district with a population of more than 400,000 may by the first day of January after the close of the fiscal year file with the Department of Legislative Services its financial report covering the full period of that fiscal year.

(ii) Unless subparagraph (i) of this paragraph applies, Howard County may by the first day of December after the close of the fiscal year file with the Department of Legislative Services its financial report covering the full period of that fiscal year.

**(III) FREDERICK COUNTY MAY BY THE FIRST DAY OF JANUARY AFTER THE CLOSE OF THE FISCAL YEAR FILE WITH THE DEPARTMENT OF LEGISLATIVE SERVICES ITS FINANCIAL REPORT COVERING THE FULL PERIOD OF THAT FISCAL YEAR.**

(b) The reports required by subsection (a) of this section shall be:

(1) Properly filled in on the form or forms established by the Department as provided in this subtitle; and

(2) Verified by the chief executive officer of each county, municipal corporation, and taxing district.

40.

(a) (1) Except as provided in paragraph (2) of this subsection, each county, [incorporated city or town] MUNICIPAL CORPORATION, and taxing district created by and situated within the State shall have its books, accounts, [records] RECORDS, and reports examined at least once during each fiscal year by the persons and for the purposes specified in this section. The examination shall be made by a certified public accountant in the capacity of either an independent auditor or official auditor of any county or [incorporated city] MUNICIPAL CORPORATION. The auditor shall be in compliance with the provisions of the Maryland Public Accountancy Act. The official auditor shall be approved by the Legislative Auditor for the purposes specified in this section. On such examination, inquiry shall be made into the methods, [accuracy] ACCURACY, and legality of the accounts, records, [files] FILES, and reports of each county, [incorporated city or town] MUNICIPAL CORPORATION, and taxing district. The Legislative Auditor upon [his] THE LEGISLATIVE AUDITOR'S own initiative may review or audit the books, [records] RECORDS, and reports of any county, [incorporated city or town] MUNICIPAL CORPORATION, or taxing district. Any county, [incorporated city or town] MUNICIPAL CORPORATION, or taxing district may request the Legislative Auditor to audit its books, [records] RECORDS, and reports. If the request is approved, the costs of the examination shall be borne by the auditee. The results of the audit shall be reported, subject to § 2-1246 of the State Government Article, to the Legislative Auditor on such form or forms and in such manner as the Legislative Auditor may prescribe. This report shall be made to the Legislative Auditor by [November 1 after the close of the fiscal year, except that the report may be made to the Legislative Auditor by January 1 after the close of the fiscal year for a county, incorporated city or town or taxing district having a population of more than 400,000] THE DATE THE COUNTY'S, MUNICIPAL CORPORATION'S, OR TAXING DISTRICT'S FINANCIAL REPORT IS REQUIRED TO BE SUBMITTED UNDER § 37 OF THIS SUBTITLE. An audit report filed with the Legislative Auditor is a public record under the provisions of § 10-611 of the State Government Article. Each year the Legislative Auditor shall review the audit reports submitted and shall make a full

and detailed report in writing to the State Comptroller and, subject to § 2-1246 of the State Government Article, to the Executive Director of the State Department of Legislative Services of the result of the examination of the books, accounts, [records] RECORDS, and reports of each county, [incorporated city or town] MUNICIPAL CORPORATION, and taxing district, together with such suggestions as the Legislative Auditor may think advisable to be made with respect to methods of bookkeeping, changes in the uniform system of financial [reporting] REPORTING, and changes in the reports of the counties, [incorporated cities or towns] MUNICIPAL CORPORATIONS, and taxing districts. In conducting the reviews specified in this section, the Legislative Auditor may review the working papers and other documentation of the auditor. As a result of the Legislative Auditor's reviews, audit reports, working papers, or other documentation may be referred to the State Board of Public Accountancy for action as prescribed in the Maryland Public Accountancy Act. It shall also be the duty of the Legislative Auditor to report all violations by any county, [incorporated city or town] MUNICIPAL CORPORATION, and taxing district of the requirement and provisions specified in the sections of this subtitle to the State Comptroller and, subject to § 2-1246 of the State Government Article, to the Executive Director of the State Department of Legislative Services. Should any county or [incorporated city or town] MUNICIPAL CORPORATION, or taxing district fail or refuse to file the audit reports as provided in this section with the Legislative Auditor within the time prescribed or fail or refuse to submit an audit report including financial statements that have been prepared in accordance with generally accepted accounting principles and audited in accordance with generally accepted auditing standards, the State Comptroller, acting upon the advice of the Executive Director of the State Department of Legislative Services, shall be authorized to order the discontinuance of payment of all funds, grants, or State aid which the county, [incorporated city or town] MUNICIPAL CORPORATION, or taxing district is entitled to receive under State law. This provision shall have specific reference to all funds, grants, or State aid which the county, [incorporated city or town] MUNICIPAL CORPORATION, or taxing district is entitled to receive under applicable provisions of State law distributed by the State Comptroller, the clerks of the court, or other units of State government.

(2) Unless the Legislative Auditor determines, on a case-by-case basis, that more frequent audits are required, the Legislative Auditor may authorize [an incorporated city or town] A MUNICIPAL CORPORATION or taxing district created by the State with annual revenues of less than \$50,000 in the prior 4 fiscal years to have an audit conducted once every 4 years.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2008.

May 22, 2008

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate  
State House  
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 349 – *State Personnel – Executive Pay Plans – Reporting Requirements*.

This bill alters a requirement that the Secretary of Budget and Management provide a report to the Department of Legislative Services on Executive Pay Plan employees under specified circumstances. The bill also requires the Secretary of Transportation to provide a report to the Department of Legislative Services on Executive Pay Plan employees under specified circumstances.

House Bill 458, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 349.

Sincerely,

Governor

### Senate Bill 349

AN ACT concerning

#### **State Personnel – Executive Pay ~~Plan~~ *Plans* – Reporting Requirements – ~~Repeal~~**

FOR the purpose of ~~repealing~~ altering a certain ~~requirements~~ requirement that the Secretary of Budget and Management provide ~~certain reports~~ a report to the Department of Legislative Services on Executive Pay Plan employees under certain circumstances; requiring the Secretary of Transportation to provide a

report to the Department of Legislative Services on Executive Pay Plan employees under certain circumstances; repealing a certain reporting requirement; and generally relating to reports by the Secretary of Budget and Management and the Secretary of Transportation on the Executive Pay Plan.

BY repealing and reenacting, with amendments,  
Article – State Personnel and Pensions  
Section 8–103  
Annotated Code of Maryland  
(2004 Replacement Volume and 2007 Supplement)

BY repealing  
Article – State Personnel and Pensions  
Section 8–108(c)(3)  
Annotated Code of Maryland  
(2004 Replacement Volume and 2007 Supplement)

BY repealing and reenacting, with amendments,  
Article – Transportation  
Section 2–103.4(h)  
Annotated Code of Maryland  
(2001 Replacement Volume and 2007 Supplement)

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

**Article – State Personnel and Pensions**

8–103.

~~¶(a)~~ Subject to the approval of the Governor, the Secretary shall adopt regulations to carry out this subtitle.

~~¶(b)~~ **(1)** Subject to § 2–1246 of the State Government Article, the Secretary shall submit to the Department of Legislative Services, on or before ~~September 1~~ **JULY 15, OCTOBER 15, JANUARY 15, AND APRIL 15** of each year ~~year~~ **FISCAL YEAR;**

**(I)** a list of the position, pay grade and step, **TITLE, NAME,** and pay rate of each employee who was included in the Executive Pay Plan ~~AND THE MARYLAND DEPARTMENT OF TRANSPORTATION EXECUTIVE PAY PLAN~~ as of the ~~LAST DAY OF THE~~ preceding ~~June 30~~ **FISCAL QUARTER; AND**

**(II) THE DETAILS OF ANY LUMP-SUM INCREASES GIVEN TO EMPLOYEES IN THE EXECUTIVE PAY PLAN AND THE MARYLAND DEPARTMENT**

~~OF TRANSPORTATION EXECUTIVE PAY PLAN DURING THE PRECEDING FISCAL QUARTER.}~~

(2) (i) THE QUARTERLY REPORTS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL INCLUDE EACH FLAT-RATE EMPLOYEE POSITION IN THE EXECUTIVE PAY PLAN AND THE MARYLAND DEPARTMENT OF TRANSPORTATION EXECUTIVE PAY PLAN.

(ii) EACH FLAT-RATE EMPLOYEE POSITION INCLUDED IN THE QUARTERLY REPORTS UNDER SUBPARAGRAPH (i) OF THIS PARAGRAPH SHALL BE ASSIGNED A UNIQUE IDENTIFIER THAT:

1. DESCRIBES THE PROGRAM TO WHICH THE POSITION IS ASSIGNED FOR BUDGETARY PURPOSES; AND

2. CORRESPONDS TO THE POSITION IDENTIFICATION NUMBER USED IN THE BUDGET DATA PROVIDED ANNUALLY BY THE SECRETARY TO THE DEPARTMENT OF LEGISLATIVE SERVICES.

8-108.

(c) [(3) Subject to § 2-1246 of the State Government Article, the Secretary shall submit to the Department of Legislative Services a copy of documentation for any specific recruitment, retention, or other issue that warranted a pay increase under this subsection.]

### Article - Transportation

2-103.4.

(h) (1) The Secretary shall establish an executive pay plan that conforms to the provisions of §§ 8-101, 8-102, 8-103(b), 8-104, 8-108, and 8-109 of the State Personnel and Pensions Article that govern the executive pay plan of the State. The Secretary shall have the same authority to implement an executive pay plan as is delegated to the Secretary of Budget and Management.

(2) SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE SECRETARY SHALL SUBMIT TO THE DEPARTMENT OF LEGISLATIVE SERVICES, ON OR BEFORE JULY 15, OCTOBER 15, JANUARY 15, AND APRIL 15 OF EACH FISCAL YEAR:

(i) A LIST OF THE POSITION, PAY GRADE AND STEP, TITLE, NAME, AND PAY RATE OF EACH EMPLOYEE WHO WAS INCLUDED IN THE

EXECUTIVE PAY PLAN AS OF THE LAST DAY OF THE PRECEDING FISCAL QUARTER; AND

(II) THE DETAILS OF ANY LUMP-SUM INCREASES GIVEN TO EMPLOYEES IN THE EXECUTIVE PAY PLAN DURING THE PRECEDING FISCAL QUARTER.

(3) (I) THE QUARTERLY REPORTS REQUIRED UNDER PARAGRAPH (2) OF THIS SUBSECTION SHALL INCLUDE EACH FLAT-RATE EMPLOYEE POSITION IN THE EXECUTIVE PAY PLAN.

(II) EACH FLAT-RATE EMPLOYEE POSITION INCLUDED IN THE QUARTERLY REPORTS UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL BE ASSIGNED A UNIQUE IDENTIFIER THAT:

1. DESCRIBES THE PROGRAM TO WHICH THE POSITION IS ASSIGNED FOR BUDGETARY PURPOSES; AND

2. CORRESPONDS TO THE POSITION IDENTIFICATION NUMBER USED IN THE BUDGET DATA PROVIDED ANNUALLY BY THE SECRETARY TO THE DEPARTMENT OF LEGISLATIVE SERVICES.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2008.

May 22, 2008

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate  
State House  
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 384 – *State Retirement and Pension Systems – Investments*.

This bill removes restrictions placed on the Board of Trustees for the State Retirement and Pension System with regard to investing the assets of the several systems of the State Retirement and Pension System in non-dividend paying common stocks. The bill also requires that a majority of the Comptroller, Treasurer, and Secretary of Budget and Management, in their capacity as members of the Board of Trustees, approve the sales and purchases of real estate.

House Bill 481, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 384.

Sincerely,

Governor

### **Senate Bill 384**

AN ACT concerning

#### **State Retirement and Pension Systems – Investments**

FOR the purpose of repealing certain restrictions placed on the Board of Trustees for the State Retirement and Pension System with regard to investing the assets of the several systems of the State Retirement and Pension System; repealing the requirement that the Board of Public Works approve certain sales and purchases of real estate by the Board of Trustees; requiring the Comptroller, Treasurer, and Secretary of Budget and Management to approve certain sales and purchases of real estate by the Board of Trustees; requiring the Board of Trustees to submit certain reports by certain dates; clarifying that certain provisions of the State Finance and Procurement Article do not apply to certain transactions of the Board of Trustees; eliminating certain limitations on certain fees paid by the Board of Trustees to certain investment managers; clarifying that the Board of Trustees is not subject to any limitation on certain fees paid to certain investment managers; and generally relating to the investments of the State Retirement and Pension System.

BY repealing and reenacting, with amendments,  
Article – State Personnel and Pensions  
Section 21–123(c) and (f) and 21–315(d)  
Annotated Code of Maryland  
(2004 Replacement Volume and 2007 Supplement)

BY adding to  
Article – State Personnel and Pensions  
Section 21–123(h)

Annotated Code of Maryland  
(2004 Replacement Volume and 2007 Supplement)

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

**Article – State Personnel and Pensions**

21–123.

(c) (1) [(i) Subject to subparagraph (ii) of this paragraph, the] **THE** Board of Trustees may invest assets of the several systems subject to the conditions that it imposes.

[(ii) Not more than 25% of the assets that the Board of Trustees invests in common stocks may be invested in nondividend paying common stocks.]

(2) The Board of Trustees shall include the conditions that it adopts under paragraph (1) of this subsection in the investment policy manual required by § 21–116(c) of this subtitle.

(f) (1) Notwithstanding any other law in force on or after July 1, 1988, unless the law makes specific reference to this subsection, and subject to paragraph (2) of this subsection, the Board of Trustees may keep all analyses, forecasts, negotiations, papers, records, recommendations, and reports closed to public inspection until:

(i) the release of the information would not adversely affect the negotiation for or market price of a security; and

(ii) completion of:

1. a proposed purchase or program of purchases leading to a cumulative position in a security;

2. the making, sale, or prepayment of a loan;

3. any proposed sale or program of sales leading to the elimination of a position in a security; or

4. the sale or purchase of real estate.

(2) **(I)** The sale or purchase of real estate shall be subject to the approval of [the Board of Public Works and shall be included on a Board of Public Works agenda] **A MAJORITY OF THE COMPTROLLER, TREASURER, AND**

**SECRETARY OF BUDGET AND MANAGEMENT, IN THEIR CAPACITY AS MEMBERS OF THE BOARD OF TRUSTEES.**

**(II) ON OR BEFORE OCTOBER 1 OF EACH YEAR, THE BOARD OF TRUSTEES SHALL SUBMIT A REPORT IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE TO THE BOARD OF PUBLIC WORKS, THE SENATE BUDGET AND TAXATION COMMITTEE, THE HOUSE APPROPRIATIONS COMMITTEE, AND THE JOINT COMMITTEE ON PENSIONS THAT PROVIDES A LIST OF ALL SALES OR PURCHASES OF DIRECTLY HELD REAL ESTATE APPROVED BY THE BOARD OF TRUSTEES FOR THE IMMEDIATELY PRECEDING FISCAL YEAR.**

**(H) TITLE 4, SUBTITLE 3, PART III AND § 10-305 OF THE STATE FINANCE AND PROCUREMENT ARTICLE DO NOT APPLY TO THE SALE, ACQUISITION, LEASE, TRANSFER, EXCHANGE, OR OTHER DISPOSITION OF ANY REAL OR PERSONAL PROPERTY ACQUIRED BY THE BOARD OF TRUSTEES IN ANY TRANSACTION AUTHORIZED UNDER THIS TITLE.**

21-315.

(d) (1) Each quarter of the fiscal year the Board of Trustees shall estimate[:

(i) one-fourth of an amount, not exceeding 1.2% of the market value as of the last day of the preceding quarter of assets externally invested in real estate or alternative investments, necessary for external real estate or alternative investment management services; and

(ii)] one-fourth of an amount, not exceeding 0.3% of the market value as of the last day of the preceding quarter of invested assets that are externally managed exclusive of assets invested in real estate or alternative investments, necessary to procure and retain investment management services other than external real estate or alternative investment management services.

[(2) In addition to the amount estimated in paragraph (1)(i) of this subsection, any previously estimated amount that has not been paid to an external real estate or alternative investment management service by the last day of each quarter shall be carried over into the next quarter and added to the new estimate.]

**(2) THE BOARD OF TRUSTEES IS NOT LIMITED IN THE AMOUNT OF INVESTMENT MANAGER FEES THAT THE BOARD OF TRUSTEES MAY PAY AS NECESSARY FOR EXTERNAL REAL ESTATE OR ALTERNATIVE INVESTMENT MANAGEMENT SERVICES.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2008.

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May 21, 2008

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate  
State House  
Annapolis MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 398 – *Anne Arundel County – Environmental Health Monitoring – Reimbursement of Costs*.

The bill would require the Maryland Department of the Environment (“Department”) to reimburse Anne Arundel County for any future costs it incurs for environmental health monitoring and testing related to permit violations for which the Department collects a fine. Reimbursement may not exceed the amount of the fine. In addition, this bill would require the Department to retroactively reimburse Anne Arundel County for the testing and monitoring of well water that the County conducted for 83 homes in the vicinity of the Gambrills fly ash disposal site.

In accordance with current law, the Department delegates authority to local health departments to test and certify drinking water wells. The Department currently has a delegation agreement with Anne Arundel County under which the County voluntarily agreed to provide support such as investigation, inspection, monitoring, and sampling for the Department subject to the availability of staff and resources. The agreement does not address funding, nor does it require the County to perform testing or sampling.

Current law does not allow the Department to factor in the costs it or any other governmental entity incurs when assessing an appropriate penalty amount to a party who has violated the State’s environmental laws. All funds, fees, and penalties collected by the Department for groundwater related violations must be paid into the Maryland Clean Water Fund. Reimbursement of expenses for

sampling/testing/monitoring is not identified as a permissible use of the Clean Water Fund. Given this legal constraint, the reimbursement required under the bill would have to come from some source other than the Clean Water Fund, most likely from the Department's already tightly constrained General Fund budget.

Supporters of Senate Bill 398 argue that the Department should take local testing and monitoring expenses and costs into account when assessing fines related to sites that are permitted by the Department. Unfortunately, as noted above, the law as currently drafted does not allow the Department to shift the burden of those expenses to the parties who violate our State's environmental laws. Since the bill applies prospectively to any future Anne Arundel County costs, it is impossible to definitively calculate the future fiscal impact, which could be significant.

Thus, while the intent of the bill's supporters to ultimately shift the costs that local governments incur for testing and monitoring of well water to parties who violate our State's environmental laws may have merit, the bill is deficient in that it does not directly confront that issue. The Department completes approximately 2,000 enforcement actions a year, including approximately 900 actions for water violations, in jurisdictions across the State. An indeterminate number of those actions will include some activity by State and local agencies leading up to the action. The Department lacks statutory authority to require reimbursement in assessing the penalty, so the effect of the bill is to divert money from the Department to a local jurisdiction for activities the local jurisdiction has agreed to perform.

The bill is also deficient because it applies only to Anne Arundel County. Many counties provide environmental testing and monitoring services but they would not be eligible for reimbursement under this legislation. Requiring the Department to reimburse the expenses of only one of Maryland's 24 counties, many of which routinely undertake the monitoring, testing, and sampling of well water, is not a rational approach.

The appropriate public policy discussion is whether the Department should be authorized to incorporate reimbursement provisions in the assessment of a penalty, for every jurisdiction in the State. My Administration would be willing to engage in that discussion during the 2009 Session of the Maryland General Assembly. But Senate Bill 398 does not accomplish that public policy goal – instead, it diverts resources of the Department to reimburse a single local government a specific amount for a past event, and an uncapped, indeterminate amount for future events, for functions the County has agreed to perform.

For the above stated reasons, I have vetoed Senate Bill 398.

Sincerely,

Governor

Senate Bill 398

AN ACT concerning

**Anne Arundel County – Environmental Health Monitoring – Reimbursement of Costs**

FOR the purpose of requiring the Department of the Environment ~~and the Department of Natural Resources~~ to reimburse Anne Arundel County for the cost of certain environmental health monitoring and testing under certain circumstances; requiring a reimbursement only if a certain fine is collected; limiting the amount of a reimbursement to a certain amount; providing that this Act shall apply retroactively only to certain costs incurred by Anne Arundel County; and generally relating to requiring reimbursement of Anne Arundel County for the cost of certain environmental health monitoring and testing.

BY adding to

Article – Environment  
Section 1–303  
Annotated Code of Maryland  
(2007 Replacement Volume and 2007 Supplement)

~~BY adding to~~

~~Article – Natural Resources  
Section 1–802  
Annotated Code of Maryland  
(2005 Replacement Volume and 2007 Supplement)~~

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

**Article – Environment**

**1–303.**

(A) ~~SUBJECT~~ NOTWITHSTANDING ANY OTHER PROVISION OF LAW AND SUBJECT TO SUBSECTION (B) OF THIS SECTION, THE DEPARTMENT SHALL REIMBURSE ANNE ARUNDEL COUNTY FOR COSTS INCURRED BY THE COUNTY IN CONDUCTING ENVIRONMENTAL HEALTH MONITORING OR TESTING RELATED TO A VIOLATION OF THIS ARTICLE THAT OCCURS ON A PROPERTY THAT IS ISSUED A LICENSE OR PERMIT UNDER THIS ARTICLE.

(B) A REIMBURSEMENT UNDER THIS SECTION:

- (1) IS REQUIRED ONLY IF THE DEPARTMENT COLLECTS A FINE AS A RESULT OF THE VIOLATION; AND
- (2) MAY NOT EXCEED THE AMOUNT OF THE FINE.

~~Article Natural Resources~~

~~1-802.~~

~~(A) SUBJECT TO SUBSECTION (B) OF THIS SECTION, THE DEPARTMENT SHALL REIMBURSE ANNE ARUNDEL COUNTY FOR COSTS INCURRED BY THE COUNTY IN CONDUCTING ENVIRONMENTAL HEALTH MONITORING OR TESTING RELATED TO A VIOLATION OF THIS ARTICLE THAT OCCURS ON A PROPERTY THAT IS ISSUED A LICENSE OR PERMIT UNDER THIS ARTICLE.~~

~~(B) A REIMBURSEMENT UNDER THIS SECTION:~~

~~(1) IS REQUIRED ONLY IF THE DEPARTMENT COLLECTS A FINE AS A RESULT OF THE VIOLATION; AND~~

~~(2) MAY NOT EXCEED THE AMOUNT OF THE FINE.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply retroactively only to costs incurred by Anne Arundel County between October 2006 and April 2007 for the testing and monitoring of well water for 83 homes and businesses in the vicinity of the Gambrills fly ash disposal site owned by BBSS Inc.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2008.

May 22, 2008

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate  
State House

Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 455 – *Personal Property Tax – Refunds and Reports – Interest*.

This bill authorizes a county to provide a personal property tax refund without interest within 180 days after the claim is approved if it is determined by the State Department of Assessments and Taxation that the refund is the result of a failure to file a specified report or other taxpayer error.

House Bill 429, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 455.

Sincerely,

Governor

**Senate Bill 455**

AN ACT concerning

**Personal Property Tax – Refunds and Reports – Interest**

FOR the purpose of allowing a county to pay a claim for a refund of personal property tax without interest within a certain period after the claim is approved under certain circumstances; providing for the application of this Act; and generally relating to refunds and reports for personal property tax.

BY repealing and reenacting, with amendments,

Article – Tax – Property  
Section 14–919  
Annotated Code of Maryland  
(2007 Replacement Volume)

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

**Article – Tax – Property**

14–919.

(A) Notwithstanding any other provision of this title, ~~A COUNTY OR~~ a municipal corporation may pay a claim for a refund of personal property tax without interest within three years after the refund claim is approved if the Department determines that the refund is a result of a failure to file a report when due or other taxpayer error.

**(B) NOTWITHSTANDING ANY OTHER PROVISION OF THIS TITLE, A COUNTY MAY PAY A CLAIM FOR A REFUND OF PERSONAL PROPERTY TAX WITHOUT INTEREST WITHIN 180 DAYS AFTER THE REFUND CLAIM IS APPROVED IF THE DEPARTMENT DETERMINES THAT THE REFUND IS A RESULT OF A FAILURE TO FILE A REPORT WHEN DUE OR OTHER TAXPAYER ERROR.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2008, and shall be applicable to all taxable years beginning after June 30, 2008.

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May 22, 2008

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate  
State House  
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 468 – *Somerset County – Property Tax Credit for Assessment Increases*.

This bill authorizes Somerset County or a municipality in Somerset County to grant a property tax credit for real property that has an annual taxable assessment increase of at least 20% from the previous taxable year and that does not qualify for a homestead property tax credit. The county or municipal government may provide for the amount and duration of the tax credit, additional eligibility criteria for the tax credit, regulations and procedures for the application and uniform processing of the tax credit. The bill terminates June 30, 2011.

House Bill 591, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 468.

Sincerely,

Governor

**Senate Bill 468**

AN ACT concerning

**Somerset County - Property Tax Credit for Assessment Increases ~~for Assessment Increases~~**

FOR the purpose of ~~requiring the governing body of Somerset County to grant a credit against the county property tax imposed on certain real property under certain circumstances; providing that the credit does not apply under certain circumstances; providing for the calculation of the credit based on certain assessment increases over a certain amount; requiring the State Department of Assessments and Taxation to provide certain notice of a possible tax credit and calculate the taxable assessment on which the credit is authorized; requiring that the tax credit be included on a property owner's property tax bill; requiring the Department to adopt certain regulations; defining certain terms; providing for the application and termination of this Act; and generally relating to a property tax credit in Somerset County for certain assessment increases for certain qualifying real property~~ authorizing the governing body of Somerset County or the governing body of a municipal corporation in Somerset County to grant, by law, a tax credit against the county or municipal corporation property tax imposed on certain real property *under certain circumstances*; authorizing the county or municipal corporation to provide, by law, for the amount ~~and duration~~ of the credit and certain other provisions to carry out the credit; *providing for the application and termination of this Act*; and generally relating to a local property tax credit in Somerset County.

BY repealing and reenacting, with amendments,  
Article - Tax - Property  
Section 9-321  
Annotated Code of Maryland  
(2007 Replacement Volume)

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

**Article - Tax - Property**

9-321.

(A) The governing body of Somerset County may grant, by law, a property tax credit under this section against county property tax imposed on real property owned by the Crisfield Heritage Foundation, Inc.

~~(B) (1) (i) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.~~

~~(ii) "LEGAL INTEREST" MEANS AN INTEREST IN QUALIFYING REAL PROPERTY:~~

- ~~1. AS A SOLE OWNER;~~
- ~~2. AS A JOINT TENANT;~~
- ~~3. AS A TENANT IN COMMON;~~
- ~~4. AS A TENANT BY THE ENTIRETIES;~~
- ~~5. THROUGH MEMBERSHIP IN A COOPERATIVE;~~
- ~~6. UNDER A LAND INSTALLMENT CONTRACT, AS DEFINED IN § 10-101 OF THE REAL PROPERTY ARTICLE; OR~~
- ~~7. AS A HOLDER OF A LIFE ESTATE.~~

~~(iii) "PROPERTY OWNER" MEANS A PERSON WHO HAS A LEGAL INTEREST IN QUALIFYING REAL PROPERTY.~~

~~(iv) "QUALIFYING REAL PROPERTY" MEANS REAL PROPERTY OTHER THAN A DWELLING ELIGIBLE FOR THE HOMESTEAD PROPERTY TAX CREDIT UNDER § 9-105 OF THIS TITLE.~~

~~(v) "TAXABLE ASSESSMENT" MEANS THE ASSESSMENT ON WHICH THE COUNTY PROPERTY TAX RATE WAS IMPOSED IN THE PRECEDING TAXABLE YEAR, ADJUSTED BY THE PHASED-IN ASSESSMENT INCREASE RESULTING FROM A REVALUATION UNDER § 8-104(C)(1)(iii) OF THIS ARTICLE, LESS THE AMOUNT OF ANY ASSESSMENT ON WHICH A PROPERTY TAX CREDIT UNDER THIS SUBSECTION IS AUTHORIZED.~~

~~(2) IF THERE IS AN INCREASE IN THE PROPERTY ASSESSMENT OF QUALIFYING REAL PROPERTY AS CALCULATED UNDER THIS SUBSECTION, THE GOVERNING BODY OF SOMERSET COUNTY SHALL GRANT A PROPERTY TAX CREDIT AS PROVIDED UNDER THIS SUBSECTION AGAINST THE COUNTY PROPERTY TAX IMPOSED ON THE QUALIFYING REAL PROPERTY.~~

~~(3) THE CREDIT UNDER THIS SUBSECTION DOES NOT APPLY FOR ANY TAXABLE YEAR IF, DURING THE PREVIOUS TAXABLE YEAR:~~

~~(I) THE QUALIFYING REAL PROPERTY WAS TRANSFERRED FOR CONSIDERATION TO NEW OWNERSHIP;~~

~~(II) THE VALUE OF THE QUALIFYING REAL PROPERTY WAS INCREASED DUE TO A CHANGE IN THE ZONING CLASSIFICATION OF THE QUALIFYING REAL PROPERTY INITIATED OR REQUESTED BY THE PROPERTY OWNER OR ANYONE HAVING AN INTEREST IN THE QUALIFYING REAL PROPERTY;~~

~~(III) THE USE OF THE QUALIFYING REAL PROPERTY WAS CHANGED SUBSTANTIALLY; OR~~

~~(IV) THE ASSESSMENT OF THE QUALIFYING REAL PROPERTY WAS CLEARLY ERRONEOUS DUE TO AN ERROR IN CALCULATION OR MEASUREMENT OF IMPROVEMENTS ON THE QUALIFYING REAL PROPERTY.~~

~~(4) FOR EACH TAXABLE YEAR, THE PROPERTY TAX CREDIT UNDER THIS SUBSECTION IS CALCULATED BY:~~

~~(I) MULTIPLYING THE PRIOR YEAR'S TAXABLE ASSESSMENT BY 120%;~~

~~(II) SUBTRACTING THAT AMOUNT FROM THE CURRENT YEAR'S ASSESSMENT; AND~~

~~(III) IF THE DIFFERENCE IS A POSITIVE NUMBER, MULTIPLYING THE DIFFERENCE BY THE COUNTY PROPERTY TAX RATE FOR THE CURRENT YEAR.~~

~~(5) THE DEPARTMENT SHALL:~~

~~(I) GIVE NOTICE TO PROPERTY OWNERS IN SOMERSET COUNTY OF THE POSSIBLE PROPERTY TAX CREDIT UNDER THIS SUBSECTION; AND~~

~~(H) CALCULATE THE TAXABLE ASSESSMENT ON WHICH THE PROPERTY TAX CREDIT IS AUTHORIZED.~~

~~(6) A PROPERTY OWNER WHO MEETS THE REQUIREMENTS OF THIS SUBSECTION SHALL BE GRANTED THE PROPERTY TAX CREDIT UNDER THIS SUBSECTION AGAINST THE SOMERSET COUNTY PROPERTY TAX IMPOSED ON THE QUALIFYING REAL PROPERTY.~~

~~(7) THE TAX CREDIT UNDER THIS SUBSECTION SHALL BE INCLUDED ON THE PROPERTY OWNER'S PROPERTY TAX BILL.~~

~~(8) THE DEPARTMENT SHALL ADOPT REGULATIONS TO ADMINISTER THE CREDIT UNDER THIS SUBSECTION.~~

(B) (1) IN THIS SUBSECTION, "TAXABLE ASSESSMENT" MEANS THE ASSESSMENT ON WHICH THE COUNTY PROPERTY TAX RATE WAS IMPOSED IN THE PRECEDING TAXABLE YEAR, ADJUSTED BY THE PHASED-IN ASSESSMENT INCREASE RESULTING FROM A REVALUATION UNDER § 8-104(C)(1)(III) OF THIS ARTICLE, LESS THE AMOUNT OF ANY ASSESSMENT ON WHICH A PROPERTY TAX CREDIT UNDER THIS SUBSECTION IS GRANTED.

(2) THE GOVERNING BODY OF SOMERSET COUNTY OR THE GOVERNING BODY OF A MUNICIPAL CORPORATION IN SOMERSET COUNTY MAY GRANT, BY LAW, A TAX CREDIT AGAINST THE COUNTY OR MUNICIPAL CORPORATION PROPERTY TAX IMPOSED ON REAL PROPERTY:

(I) THAT IS NOT ELIGIBLE FOR THE HOMESTEAD PROPERTY TAX CREDIT UNDER § 9-105 OF THE TAX - PROPERTY ARTICLE THIS TITLE; AND

(II) FOR WHICH THE CURRENT YEAR'S TAXABLE ASSESSMENT EXCEEDS THE PRIOR YEAR'S TAXABLE ASSESSMENT BY MORE THAN 20%.

~~(2) (3)~~ THE GOVERNING BODY OF SOMERSET COUNTY COMMISSIONERS OR THE GOVERNING BODY OF A MUNICIPAL CORPORATION IN SOMERSET COUNTY MAY PROVIDE, BY LAW, FOR:

(I) THE AMOUNT AND DURATION OF THE TAX CREDIT UNDER THIS SUBSECTION;

(II) ADDITIONAL ELIGIBILITY CRITERIA FOR THE TAX CREDIT UNDER THIS SUBSECTION;

(III) REGULATIONS AND PROCEDURES FOR THE APPLICATION AND UNIFORM PROCESSING ~~ON~~ OF REQUESTS FOR THE TAX CREDIT; AND

(IV) ANY OTHER PROVISION NECESSARY TO CARRY OUT THE CREDIT UNDER THIS SUBSECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2008, and shall be applicable to all taxable years beginning after June 30, 2008, ~~but before July 1, 2013. It shall remain effective for a period of 5 years and 1 month and, at the end of June 30, 2013, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect~~ 2008, but before July 1, 2011. It shall remain effective for a period of 3 years and 1 month and, at the end of June 30, 2011, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

May 22, 2008

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate  
State House  
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 488 – *State Police Retirement System – Survivor Benefits*.

This bill repeals a supplemental survivor death benefit for spouses of retired State Police officers. The bill increases the standard survivor benefit for surviving spouses and minor children of retirees of the State Police Retirement System from 50% to 80% of the retiree's allowance at the time of the retiree's death.

House Bill 482, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 488.

Sincerely,

Governor

**Senate Bill 488**

AN ACT concerning

**State Police Retirement System – Survivor Benefits**

FOR the purpose of altering the survivor benefit for certain beneficiaries of certain retirees of the State Police Retirement System; repealing a supplemental survivor benefit for certain beneficiaries of certain retirees of the State Police Retirement System; and generally relating to survivor benefits for beneficiaries of retirees of the State Police Retirement System.

BY repealing and reenacting, with amendments,  
 Article – State Personnel and Pensions  
 Section 24–403  
 Annotated Code of Maryland  
 (2004 Replacement Volume and 2007 Supplement)

BY repealing  
 Article – State Personnel and Pensions  
 Section 24–404  
 Annotated Code of Maryland  
 (2004 Replacement Volume and 2007 Supplement)

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

**Article – State Personnel and Pensions**

24–403.

(a) This section applies only to a retiree who has retired with a service retirement allowance or a disability retirement allowance.

(b) On the death of a retiree, the Board of Trustees shall pay [50%] **80%** of the retiree's retirement allowance:

(1) to the surviving spouse; or

(2) if there is not a surviving spouse or if the surviving spouse dies before the youngest child is 18 years old, to any children of the deceased retiree who are under 18 years of age.

(c) If the Board of Trustees pays an allowance to more than one child, the Board of Trustees shall divide the allowance among the children under the age of 18 years in a manner that provides for payments to continue until each child dies or becomes 18 years old.

[24-404.

(a) Subject to subsections (b) through (d) of this section, the Board of Trustees shall pay the following benefits in accordance with Title II of the federal Social Security Act:

(1) if a member dies while employed as a member, child's insurance benefits;

(2) if a retiree dies with a special disability retirement allowance under § 29-111 of this article:

(i) surviving spouse's insurance benefits;

(ii) child's insurance benefits; or

(iii) parents' insurance benefits; or

(3) if a retiree dies with a service retirement allowance or an ordinary disability retirement allowance under § 29-107 of this article:

(i) surviving spouse's insurance benefits;

(ii) child's insurance benefits;

(iii) mother's insurance benefits;

(iv) parents' insurance benefits; or

(v) other death benefits payable under Title II of the federal Social Security Act.

(b) A payment under subsection (a)(1) or (2) of this section may not be made if, under Title II of the federal Social Security Act:

(1) the surviving spouse is eligible to receive surviving spouse's insurance benefits;

(2) the child is eligible to receive child's insurance benefits; or

- (3) the parent is eligible to receive parents' insurance benefits.
- (c) The Board of Trustees shall make a payment under this section:
  - (1) after receiving proof of death of the member or retiree;
  - (2) in accordance with Title II of the federal Social Security Act in effect at the time of initial eligibility; and
  - (3) without any cost-of-living adjustment that the federal government may provide.
- (d) The monthly earnings used in the federal Social Security Act computation of benefits under this section shall be the lesser of:
  - (1) one-twelfth of the member's average final compensation; or
  - (2) the maximum Social Security monthly earnings that may be used in the computation.]

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2008.

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May 22, 2008

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate  
State House  
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 502 – *State Board of Professional Counselors and Therapists – Sunset Extension and Revisions*.

This bill increases the number of members on the State Board of Professional Counselors and Therapists to require a specified number of members to be professional counselors, marriage and family therapists, and alcohol and drug counselors. The bill also repeals a requirement that the licensed professional counselor Board members be employed in specified areas. Further, this bill repeals the position of drug and alcohol counselor advisor to the Board.

House Bill 459, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 502.

Sincerely,

Governor

**Senate Bill 502**

AN ACT concerning

**State Board of Professional Counselors and Therapists - Sunset Extension and Revisions**

FOR the purpose of continuing the State Board of Professional Counselors and Therapists in accordance with the provisions of the Maryland Program Evaluation Act (Sunset Law) by extending to a certain date the termination provisions relating to the statutory and regulatory authority of the Board; requiring that an evaluation of the Board and the statutes and regulations that relate to the Board be performed on or before a certain date; increasing the number of members on the State Board of Professional Counselors and Therapists; requiring a certain number of members to be professional counselors, marriage and family therapists, and alcohol and drug counselors; repealing a requirement that certain licensed professional counselor board members be employed in certain areas; repealing the position of drug and alcohol counselor advisor to the Board; requiring a marriage and family therapist or an alcohol and drug counselor board member to vote before certain action is taken against certain professional counselors; prohibiting certain individuals from practicing clinical alcohol and drug counseling, marriage and family therapy, or professional counseling unless they are licensed by the Board; providing for certain exemptions from licensing requirements; establishing certain qualifications for the licensure of clinical alcohol and drug counselors, clinical marriage and family therapists, and clinical professional counselors; establishing certain requirements for applications for licensure, certification, and examination of applicants; authorizing the Board to waive certain requirements for licensure or certification under certain circumstances; establishing procedures for the issuance of licenses and certificates; requiring

licenses and certificates to include certain information; authorizing the Board to replace certain licenses or certificates under certain circumstances; providing for the scope of certain licenses and certificates; providing for the terms and renewal of certain licenses and certificates; requiring the Board to place certain licensees or certificate holders on inactive status under certain circumstances; prohibiting the Board from placing certain certificates on inactive status; authorizing the Board to reinstate certain licenses or certain certificates under certain circumstances; prohibiting the reinstatement of certain certificates; authorizing the Board to adopt certain regulations to allow certain individuals to practice under supervision as licensed graduate alcohol and drug counselors, marriage and family therapists, and professional counselors; establishing qualifications for licensed graduate alcohol and drug counselors, marriage and family therapists, and professional counselors; prohibiting the practice of licensed graduate professional counseling unless approved by the Board; requiring certain licensees and certificate holders to display a certain license or certificate in a certain manner; requiring certain licensees or certificate holders to furnish a certain professional disclosure statement that includes certain information; prohibiting the surrender of a certain license under certain circumstances and providing for a certain exception; authorizing the Board to deny, probate, reprimand, suspend, or revoke the license, certificate, or application of certain licensees, certificate holders, or applicants if an individual violates certain disciplinary grounds; establishing certain civil penalties under certain circumstances; requiring the Board to adopt certain regulations concerning the imposition of certain penalties; requiring the Board to pay certain money collected into the General Fund of the State; establishing certain hearing and appeal procedures; authorizing the Board to enjoin certain actions; authorizing the Board to reinstate a certain license or certificate, reduce a certain suspension or probation, or withdraw a reprimand under certain circumstances; establishing a counselor and therapist rehabilitation committee; establishing the purpose, function, and duties of the counselor and therapist rehabilitation committee; providing that certain committee records are not discoverable in certain proceedings; establishing civil immunity for members of the committee for actions taken within the scope of the committee's jurisdiction; requiring certain individuals to be certified before practicing alcohol and drug counseling, marriage and family therapy, and professional counseling, using certain titles, or representing certain certification; establishing qualifications for certification as a certified professional counselor–alcohol and drug, certified associate counselor–alcohol and drug, and certified supervised counselor–alcohol and drug; authorizing certain individuals to practice clinical alcohol and drug counseling, clinical marriage and family therapy, or clinical professional counseling without a license or to practice alcohol and drug counseling, marriage and family therapy, or professional counseling without a certificate for a certain amount of time under certain circumstances as a trainee; prohibiting certain unlicensed individuals from making certain representations to the public and using certain titles or words with the intent to

represent that the individual practices clinical counseling or therapy or licensed graduate counseling or therapy; prohibiting certain uncertified individuals from making certain representations to the public and using certain titles or words with the intent to represent that the individual practices certain counseling or therapy; establishing certain penalties; establishing a certain short title; requiring the Board to waive certain requirements for certification as alcohol and drug counselors for certain individuals who have certain qualifications; requiring certain individuals applying for certification as alcohol and drug counselors under a certain waiver to apply for certification by a certain date; ~~providing for the termination of the term of a member of the Board;~~ providing for the appointment of certain members of the Board to serve certain terms until certain successors are appointed; providing that the term of a certain Board advisor terminate on a certain date; requiring the Board to submit a certain interim report including certain information to certain committees of the General Assembly on or before a certain date; defining certain terms; making certain technical changes; providing for the termination of certain provisions of this Act; and generally relating to the State Board of Professional Counselors and Therapists and the licensing and certification of counselors and therapists.

BY repealing

Article – Health Occupations

Section 17-301 through 17-317 and the subtitle “Subtitle 3. Certification”;  
17-3A-01 through 17-3A-13 and the subtitle “Subtitle 3A. Licensing”;  
17-401 and 17-402 and the subtitle “Subtitle 4. Prohibited Acts;  
Penalties”; and 17-501 and 17-502 and the subtitle “Subtitle 5. Short  
Title; Termination of Title”

Annotated Code of Maryland

(2005 Replacement Volume and 2007 Supplement)

BY repealing and reenacting, with amendments,

Article – Health Occupations

Section 17-101, 17-102, 17-202, and 17-205

Annotated Code of Maryland

(2005 Replacement Volume and 2007 Supplement)

BY repealing and reenacting, without amendments,

Article – Health Occupations

Section 17-103, 17-201, 17-203, 17-204, and 17-206

Annotated Code of Maryland

(2005 Replacement Volume and 2007 Supplement)

BY repealing

Article – Health Occupations

Section 17-104

Annotated Code of Maryland

(2005 Replacement Volume and 2007 Supplement)

BY adding to

Article – Health Occupations

Section 17–301 through 17–309 to be under the new subtitle “Subtitle 3. Licensing”; 17–401 through 17–405.1 and 17–406 to be under the new subtitle “Subtitle 4. Certification”; 17–501 through 17–515 to be under the new subtitle “Subtitle 5. General Provisions; Disciplinary Actions”; 17–601 through 17–604 to be under the new subtitle “Subtitle 6. Prohibited Acts; Penalties”; and 17–701 and 17–702 to be under the new subtitle “Subtitle 7. Short Title; Termination of Title”

Annotated Code of Maryland

(2005 Replacement Volume and 2007 Supplement)

BY repealing and reenacting, without amendments,

Article – State Government

Section 8–403(a)

Annotated Code of Maryland

(2004 Replacement Volume and 2007 Supplement)

BY repealing and reenacting, with amendments,

Article – State Government

Section 8–403(b)(16)

Annotated Code of Maryland

(2004 Replacement Volume and 2007 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 17–301 through 17–317 and the subtitle “Subtitle 3. Certification”; 17–3A–01 through 17–3A–13 and the subtitle “Subtitle 3A. Licensing”; 17–401 and 17–402 and the subtitle “Subtitle 4. Prohibited Acts; Penalties”; and 17–501 and 17–502 and the subtitle “Subtitle 5. Short Title; Termination of Title” of Article – Health Occupations of the Annotated Code of Maryland be repealed.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

### **Article – Health Occupations**

17–101.

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

(b) “Alcohol and drug counseling” means assisting an individual, family, or group through the client–counselor relationship:

(1) To develop understanding of intrapersonal and interpersonal substance abuse problems;

(2) To define goals relating to substance abuse;

(3) To make decisions relating to substance abuse;

(4) To plan a course of action reflecting the needs, interests, and abilities of the individual, family, or group relating to substance abuse; and

(5) To use informational and community substance abuse resources relating to personal, social, emotional, educational, and vocational development and adjustment.

(c) (1) "Appraisal" means:

(i) Selecting, administering, scoring, and interpreting instruments designed to assess an individual's aptitudes, attitudes, abilities, achievements, interests, and personal characteristics; and

(ii) Using nonstandardized methods and techniques for understanding human behavior in relation to coping with, adapting to, or changing life situations.

(2) "Appraisal" does not include instruments which require specialized psychological training for administration and interpretation unless the licensed or certified professional counselor has completed training deemed by the Board of Examiners of Psychologists and the State Board of Professional Counselors and Therapists to be equivalent to that of a licensed psychologist who is qualified to administer the same types of instruments.

(d) "Board" means the State Board of Professional Counselors and Therapists.

(e) "Certificate" means a certificate issued by the Board to practice professional counseling.

(f) "Certified professional counselor" means a professional counselor who is certified by the Board.

(g) "Certified professional counselor–marriage and family therapist" means an individual who is certified by the Board to practice marriage and family therapy in the State.

(h) (1) “Certified supervised counselor–alcohol and drug” means an individual who is certified by the Board to practice alcohol and drug counseling in the State pursuant to the limitations in [§ 17–302.4] **§ 17–404** of this title.

(2) “Certified associate counselor–alcohol and drug” means an individual who is certified by the Board to practice alcohol and drug counseling in the State pursuant to the limitations in [§ 17–302.5] **§ 17–403** of this title.

(3) “Certified professional counselor–alcohol and drug” means an individual who is certified by the Board to practice alcohol and drug counseling in the State.

(i) “Counseling” means assisting an individual, family, or group through the client–counselor relationship:

(1) To develop understanding of intrapersonal and interpersonal problems;

(2) To define goals;

(3) To make decisions;

(4) To plan a course of action reflecting the needs, interests, and abilities of the individual, family, or group; and

(5) To use informational and community resources, as these procedures are related to personal, social, emotional, educational, and vocational development and adjustment.

(j) “Fund” means the State Board of Professional Counselors and Therapists Fund.

**(K) “LICENSE” MEANS, UNLESS THE CONTEXT REQUIRES OTHERWISE, ONE OF SIX TYPES OF LICENSES ISSUED BY THE BOARD AUTHORIZING AN INDIVIDUAL TO PRACTICE:**

**(1) CLINICAL ALCOHOL AND DRUG COUNSELING;**

**(2) CLINICAL MARRIAGE AND FAMILY THERAPY;**

**(3) CLINICAL PROFESSIONAL COUNSELING;**

**(4) GRADUATE ALCOHOL AND DRUG COUNSELING;**

**(5) GRADUATE MARRIAGE AND FAMILY THERAPY; OR**

**(6) GRADUATE PROFESSIONAL COUNSELING.**

**(L) "LICENSED GRADUATE ALCOHOL AND DRUG COUNSELOR" MEANS AN INDIVIDUAL APPROVED BY THE BOARD TO PRACTICE GRADUATE ALCOHOL AND DRUG COUNSELING.**

**(M) "LICENSED GRADUATE MARRIAGE AND FAMILY THERAPIST" MEANS AN INDIVIDUAL APPROVED BY THE BOARD TO PRACTICE GRADUATE MARRIAGE AND FAMILY THERAPY.**

**(N) "LICENSED GRADUATE PROFESSIONAL COUNSELOR" MEANS AN INDIVIDUAL APPROVED BY THE BOARD TO PRACTICE GRADUATE PROFESSIONAL COUNSELING.**

**[k] (O) "Marriage and family therapy" means applying marriage and family systems theory, principles, methods, therapeutic techniques, and research in:**

**(1) Resolving emotional conflict and modifying perception and behavior in the context of marriage and family life; and**

**(2) The identification and assessment of client needs and the implementation of therapeutic intervention.**

**[l] (P) "Practice alcohol and drug counseling" means to engage professionally and for compensation in alcohol and drug counseling activities while representing oneself to be a certified professional counselor–alcohol and drug, a certified supervised counselor–alcohol and drug, or a certified associate counselor–alcohol and drug.**

**(Q) "PRACTICE CLINICAL ALCOHOL AND DRUG COUNSELING" MEANS TO ENGAGE PROFESSIONALLY AND FOR COMPENSATION IN ALCOHOL AND DRUG COUNSELING AND APPRAISAL ACTIVITIES BY PROVIDING SERVICES INVOLVING THE APPLICATION OF COUNSELING PRINCIPLES AND METHODS IN THE DIAGNOSIS, PREVENTION, TREATMENT, AND AMELIORATION OF PSYCHOLOGICAL PROBLEMS AND EMOTIONAL OR MENTAL CONDITIONS OF INDIVIDUALS OR GROUPS.**

**(R) "PRACTICE CLINICAL MARRIAGE AND FAMILY THERAPY" MEANS TO ENGAGE PROFESSIONALLY AND FOR COMPENSATION IN MARRIAGE AND FAMILY THERAPY AND APPRAISAL ACTIVITIES BY PROVIDING SERVICES INVOLVING THE APPLICATION OF THERAPY PRINCIPLES AND METHODS IN THE DIAGNOSIS,**

**PREVENTION, TREATMENT, AND AMELIORATION OF PSYCHOLOGICAL PROBLEMS AND EMOTIONAL OR MENTAL CONDITIONS OF INDIVIDUALS OR GROUPS.**

**(S) “PRACTICE CLINICAL PROFESSIONAL COUNSELING” MEANS TO ENGAGE PROFESSIONALLY AND FOR COMPENSATION IN COUNSELING AND APPRAISAL ACTIVITIES BY PROVIDING SERVICES INVOLVING THE APPLICATION OF COUNSELING PRINCIPLES AND METHODS IN THE DIAGNOSIS, PREVENTION, TREATMENT, AND AMELIORATION OF PSYCHOLOGICAL PROBLEMS AND EMOTIONAL OR MENTAL CONDITIONS OF INDIVIDUALS OR GROUPS.**

**(T) “PRACTICE GRADUATE ALCOHOL AND DRUG COUNSELING” MEANS TO PRACTICE CLINICAL ALCOHOL AND DRUG COUNSELING:**

**(1) UNDER THE SUPERVISION OF A LICENSED CLINICAL ALCOHOL AND DRUG COUNSELOR OR ANOTHER HEALTH CARE PROVIDER LICENSED UNDER THIS ARTICLE, AS APPROVED BY THE BOARD; AND**

**(2) WHILE FULFILLING THE REQUIREMENTS FOR SUPERVISED EXPERIENCE UNDER § 17-302 OF THIS SUBTITLE.**

**(U) “PRACTICE GRADUATE MARRIAGE AND FAMILY THERAPY” MEANS TO PRACTICE CLINICAL MARRIAGE AND FAMILY THERAPY:**

**(1) UNDER THE SUPERVISION OF A LICENSED CLINICAL MARRIAGE AND FAMILY THERAPIST OR ANOTHER HEALTH CARE PROVIDER LICENSED UNDER THIS ARTICLE, AS APPROVED BY THE BOARD; AND**

**(2) WHILE FULFILLING THE REQUIREMENTS FOR SUPERVISED EXPERIENCE UNDER § 17-303 OF THIS SUBTITLE.**

**(V) “PRACTICE GRADUATE PROFESSIONAL COUNSELING” MEANS TO PRACTICE CLINICAL PROFESSIONAL COUNSELING:**

**(1) UNDER THE SUPERVISION OF A LICENSED CLINICAL PROFESSIONAL COUNSELOR OR ANOTHER HEALTH CARE PROVIDER LICENSED UNDER THIS ARTICLE, AS APPROVED BY THE BOARD; AND**

**(2) WHILE FULFILLING THE REQUIREMENTS FOR SUPERVISED EXPERIENCE UNDER § 17-304 OF THIS SUBTITLE.**

**[(m)] (W) “Practice marriage and family therapy” means to engage professionally and for compensation in marriage and family therapy activities while**

representing oneself to be a certified professional counselor–marriage and family therapist.

**[(n)] (x)** “Practice professional counseling” means to engage professionally and for compensation in counseling and appraisal activities while representing oneself to be a **CERTIFIED** professional counselor.

17–102.

(a) The General Assembly finds that the profession of counseling **AND THERAPY** profoundly affects the lives and health of the people of this State.

(b) The purpose of this title is to protect the public by:

(1) Setting qualifications, education, training, and experience standards for **[professional]** counselors **AND THERAPISTS**; and

(2) Promoting high professional standards for the practice of counseling **AND THERAPY**.

17–103.

This title does not limit the right of an individual to practice a health occupation that the individual is authorized to practice under this article.

**[17–104.**

(a) A certificate to practice professional counseling authorizes the certificate holder to practice professional counseling while the certificate is effective.

(b) A certificate to practice marriage and family therapy authorizes the certificate holder to practice marriage and family therapy while the certificate is effective.]

17–201.

There is a State Board of Professional Counselors and Therapists.

17–202.

(a) (1) The Board consists of **[nine]** ~~**11**~~ **13** members appointed by the Governor with the advice of the Secretary.

(2) Of the **[nine]** ~~**11**~~ **13** Board members:

(i) ~~Five~~ ~~FOUR~~ shall be licensed as **CLINICAL** professional counselors under [Subtitle 3A] **SUBTITLE 3** of this title[, including:

1. One who is primarily engaged in professional counselor education;
2. One who is employed in the private sector;
3. One who is employed in the public sector; and
4. Two professional counselors at large];

(ii) [One] ~~Two~~ THREE shall be [a] licensed **AS** clinical marriage and family [therapist] **THERAPISTS**;

(iii) [One] **THREE** shall be [a] ~~certified AS professional [counselor alcohol] COUNSELORS ALCOHOL and drug or~~ licensed **AS** clinical alcohol and drug [counselor] **COUNSELORS**; and

(iv) Two shall be consumer members.

(3) The composition of the Board as to the race and sex of its members shall reflect the composition of the population of the State.

(4) The Governor shall appoint the [professional] counselors **AND THERAPISTS** from a list submitted to the Governor by the Secretary. Any association representing professional counselors, **MARRIAGE AND FAMILY THERAPISTS, OR ALCOHOL AND DRUG COUNSELORS** may submit recommendations for Board members to the Secretary.

(b) The consumer members of the Board:

(1) Shall be members of the general public;

(2) May not be or ever have been [a] certified or licensed [professional] **AS A** counselor **OR THERAPIST** or in training to become [a] certified or licensed [professional] **AS A** counselor **OR THERAPIST**;

(3) May not have a household member who is [a] certified or licensed [professional] **AS A** counselor **OR THERAPIST** or in training to become [a] certified or licensed [professional] **AS A** counselor **OR THERAPIST**;

(4) May not participate or ever have participated in a commercial or professional field related to professional counseling, **MARRIAGE AND FAMILY THERAPY, OR ALCOHOL AND DRUG COUNSELING**;

(5) May not have a household member who participates in a commercial or professional field related to professional counseling, **MARRIAGE AND FAMILY THERAPY, OR ALCOHOL AND DRUG COUNSELING**;

(6) May not have had within 2 years before appointment a substantial financial interest in a person regulated by the Board; and

(7) While members of the Board, may not have a substantial financial interest in a person regulated by the Board.

(c) The licensed clinical marriage and family therapy [member] **MEMBERS** of the Board shall:

(1) [Have] **HOLD** a master's or doctoral degree in a marriage and family therapy field; and

(2) Meet the educational and supervised experience requirements of [§ 17-302] **§ 17-303** of this title.

(d) The ~~certified professional [counselor alcohol]~~ **COUNSELORS ALCOHOL and drug** or licensed clinical alcohol and drug counselor [member] **MEMBERS** of the Board shall:

(1) [Have] **HOLD** a master's or doctoral degree in a health and human services counseling field; and

(2) Meet the educational and supervised experience requirements of [§ 17-302.3] **§ 17-302, § 17-402, OR § 17-403** of this title.

(e) [A certified associate counselor-alcohol and drug or a certified supervised counselor-alcohol and drug shall be appointed by the Governor to serve as an advisor to the Board.

(f) Before taking office, each appointee to the Board shall take the oath required by Article I, § 9 of the State Constitution.

[(g)] **(F)** (1) The term of a member is 4 years.

(2) The terms of the members of the Board are staggered as required by the terms of the members of the Board serving on July 1, 1988.

(3) At the end of a term, a member continues to serve until a successor is appointed and qualifies.

(4) A member may not serve more than 2 consecutive full terms.

(5) To the extent practicable, the Governor shall fill any vacancy on the Board within 60 days of the date of the vacancy.

~~[(h)]~~ (G) (1) The Governor may remove a member for incompetency, misconduct, or neglect of duty.

(2) Upon the recommendation of the Secretary, the Governor may remove a member whom the Secretary finds to have been absent from 2 successive Board meetings without adequate reason.

17-203.

(a) From among its members, the Board annually shall elect:

- (1) A chairperson;
- (2) A vice chairperson; and
- (3) A secretary.

(b) The Board shall determine:

- (1) The manner of election of officers;
- (2) The term of office of each officer; and
- (3) The duties of each officer.

17-204.

(a) A majority of the full authorized membership of the Board is a quorum.

(b) The Board shall meet at least once a year, at the times and places that it determines.

(c) Each member of the Board is entitled to reimbursement for expenses at a rate determined by the Board.

(d) The Board may employ a staff in accordance with the budget of the Board.

17-205.

(a) In addition to the powers set forth elsewhere in this title, the Board may adopt rules and regulations to carry out the provisions of this title.

(b) In addition to the duties set forth elsewhere in this title, the Board shall:

(1) Maintain a registry of all counselors or therapists currently licensed or certified by the Board;

(2) Submit an annual report to the Governor and the Secretary;

(3) Adopt a code of ethics that the Board considers to be appropriate and applicable to the counselors or therapists currently certified or licensed by the Board;

(4) Establish continuing education requirements for the counselors or therapists currently certified or licensed by the Board;

(5) Adopt an official seal; and

(6) Create committees as it deems appropriate to advise the Board on special issues.

(c) (1) The Board may take action against a [certified professional counselor-marriage and family therapist or a licensed clinical] marriage and family therapist only if:

(i) Before taking action against the [certified professional counselor-marriage and family therapist or the licensed clinical] marriage and family therapist, the Board discusses the proposed action with [the] A Board member who is a licensed clinical marriage and family therapist; and

(ii) [The] A Board member who is a licensed clinical marriage and family therapist votes, either in the affirmative or in the negative, on the proposed action.

(2) The Board may take action against an alcohol and drug counselor only if:

(i) Before taking action against the alcohol and drug counselor, the Board discusses the proposed action with [the] A Board member who is a ~~certified~~

~~professional counselor alcohol and drug or~~ licensed clinical alcohol and drug counselor; and

(ii) [The] A Board member who is a ~~certified professional counselor alcohol and drug or~~ licensed clinical alcohol and drug counselor votes, either in the affirmative or in the negative, on the proposed action.

(3) The Board shall investigate all complaints filed against licensed [professional] counselors **AND THERAPISTS** if, at the time of the violation, the licensed [professional] counselor **OR THERAPIST** has also registered and qualified for psychology associate status by virtue of holding a master's degree under Title 18 (Maryland Psychologists Act) of this article.

(4) The Board shall notify the Board of Examiners of Psychologists of the complaint in writing within 60 days of receipt of the complaint if an investigation of the supervising licensed psychologists is warranted.

(5) The Board shall initiate disciplinary action against any licensed [professional] counselor **OR THERAPIST** who also registers as a psychology associate and violates any portion of this statute.

(d) The Board shall establish or select examinations that the Board considers appropriate to determine the ability of an applicant to be licensed or certified by the Board.

17-206.

(a) There is a State Board of Professional Counselors and Therapists Fund.

(b) (1) The Board may set reasonable fees for the issuance and renewal of licenses or certificates and its other services.

(2) The fees charged shall be set to produce funds so as to approximate the cost of maintaining the Board.

(3) Funds to cover the expenses of the Board members shall be generated by fees set under this section.

(c) (1) The Board shall pay all fees collected under this title to the Comptroller of the State.

(2) The Comptroller shall distribute the fees to the Fund.

(d) (1) The Fund shall be used to cover the actual documented direct and indirect costs of fulfilling the statutory and regulatory duties of the Board as provided by the provisions of this article.

(2) The Fund is a continuing, nonlapsing fund, not subject to § 7-302 of the State Finance and Procurement Article.

(3) Any unspent portions of the Fund may not be transferred or revert to the General Fund of the State, but shall remain in the Fund to be used for the purposes specified in this article.

(4) No other State money may be used to support the Fund.

(e) (1) A designee of the Board shall administer the Fund.

(2) Moneys in the Fund may be expended only for any lawful purpose authorized under the provisions of this article.

(f) The Legislative Auditor shall audit the accounts and transactions of the Fund as provided in § 2-1220 of the State Government Article.

### **SUBTITLE 3. LICENSING.**

#### **17-301.**

**(A) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (B) OF THIS SECTION, AN INDIVIDUAL MAY NOT PRACTICE, ATTEMPT TO PRACTICE, OR OFFER TO PRACTICE CLINICAL ALCOHOL AND DRUG COUNSELING, CLINICAL MARRIAGE AND FAMILY THERAPY, OR CLINICAL PROFESSIONAL COUNSELING IN THE STATE UNLESS LICENSED BY THE BOARD.**

**(B) SUBJECT TO THE REGULATIONS OF THE BOARD, SUBSECTION (A) OF THIS SECTION DOES NOT APPLY TO:**

**(1) A STUDENT WORKING UNDER THE SUPERVISION OF A LICENSED MENTAL HEALTH CARE PROVIDER WHILE PURSUING A SUPERVISED COURSE OF STUDY IN COUNSELING THAT THE BOARD APPROVES AS QUALIFYING TRAINING AND EXPERIENCE UNDER THIS TITLE; OR**

**(2) AN INDIVIDUAL WHO, IN ACCORDANCE WITH § 17-406 OF THIS TITLE, IS WORKING AS A TRAINEE UNDER THE SUPERVISION OF A LICENSED CLINICAL ALCOHOL AND DRUG COUNSELOR OR ANOTHER HEALTH CARE PROVIDER LICENSED OR CERTIFIED UNDER THIS ARTICLE AND APPROVED BY THE BOARD WHILE FULFILLING THE EXPERIENTIAL OR COURSE OF STUDY**

REQUIREMENTS UNDER § 17-302 OF THIS SUBTITLE OR § 17-402, § 17-403, OR § 17-404 OF THIS TITLE.

(C) THIS SUBTITLE MAY NOT BE CONSTRUED TO LIMIT THE SCOPE OF PRACTICE OF ANY INDIVIDUAL WHO IS DULY LICENSED UNDER THIS ARTICLE.

**17-302.**

(A) TO QUALIFY FOR A LICENSE TO PRACTICE CLINICAL ALCOHOL AND DRUG COUNSELING, AN APPLICANT SHALL BE AN INDIVIDUAL WHO MEETS THE REQUIREMENTS OF THIS SECTION.

(B) THE APPLICANT SHALL BE OF GOOD MORAL CHARACTER.

(C) THE APPLICANT SHALL BE AT LEAST 18 YEARS OLD.

(D) (1) EXCEPT AS PROVIDED IN § 17-305 OF THIS SUBTITLE, THE APPLICANT SHALL:

(I) HOLD A MASTER'S OR DOCTORAL DEGREE IN A HEALTH AND HUMAN SERVICES COUNSELING FIELD FROM AN ACCREDITED EDUCATIONAL INSTITUTION THAT IS APPROVED BY THE BOARD; OR

(II) HAVE COMPLETED A PROGRAM OF STUDIES JUDGED BY THE BOARD TO BE SUBSTANTIALLY EQUIVALENT IN SUBJECT MATTER AND EXTENT OF TRAINING AS REQUIRED UNDER THIS SECTION.

(2) (I) IN THE CASE OF AN APPLICANT HOLDING A DOCTORAL DEGREE, THE APPLICANT SHALL HAVE COMPLETED A MINIMUM OF 90 GRADUATE CREDIT HOURS APPROVED BY THE BOARD.

(II) IN THE CASE OF AN APPLICANT HOLDING ONLY A MASTER'S DEGREE, THE APPLICANT SHALL HAVE COMPLETED A MINIMUM OF 60 GRADUATE CREDIT HOURS APPROVED BY THE BOARD.

(3) THE APPLICANT SHALL HAVE COMPLETED A MINIMUM OF 26 CREDIT HOURS IN ALCOHOL AND DRUG COUNSELOR TRAINING, INCLUDING:

(I) MEDICAL ASPECTS OF CHEMICAL DEPENDENCY;

(II) GROUP COUNSELING;

(III) INDIVIDUAL COUNSELING;

- (IV) FAMILY COUNSELING;
- (V) ASSESSMENT AND TREATMENT PLANNING;
- (VI) ETHICS FOR ALCOHOL AND DRUG COUNSELORS;
- (VII) HUMAN DEVELOPMENT;
- (VIII) ABNORMAL PSYCHOLOGY; AND

(IX) COURSES PERTAINING TO COUNSELOR CORE FUNCTIONS OF SCREENING, INTAKE, ORIENTATION, CASE MANAGEMENT, CRISIS INTERVENTION, EDUCATION AND PREVENTION, REFERRAL, CONSULTATION, REPORTS AND RECORD KEEPING, AND SPECIAL ALCOHOL AND DRUG DEPENDENCY TOPICS.

(E) THE APPLICANT SHALL HAVE COMPLETED NOT LESS THAN 3 YEARS WITH A MINIMUM OF 2,000 HOURS OF SUPERVISED EXPERIENCE IN ALCOHOL AND DRUG COUNSELING APPROVED BY THE BOARD, 2 YEARS OF WHICH SHALL HAVE BEEN COMPLETED AFTER THE AWARD OF THE MASTER'S OR DOCTORAL DEGREE OR ITS SUBSTANTIAL EQUIVALENT.

(F) THE APPLICANT SHALL PROVIDE DOCUMENTATION TO THE BOARD EVIDENCING THE COMPLETION OF 60 HOURS OF GRADUATE COURSE WORK, COMPLETED AT AN ACCREDITED COLLEGE OR UNIVERSITY APPROVED BY THE BOARD THAT INCLUDED TRAINING IN:

- (1) PERSONALITY DEVELOPMENT;
- (2) DIAGNOSIS AND TREATMENT OF MENTAL AND EMOTIONAL DISORDERS;
- (3) PSYCHOPATHOLOGY; AND
- (4) PSYCHOTHERAPY IN ALCOHOL AND DRUG DISORDERS.

(G) THE APPLICANT SHALL PROVIDE DOCUMENTATION EVIDENCING THE COMPLETION OF 2 YEARS OF POSTGRADUATE SUPERVISED CLINICAL EXPERIENCE AS REQUIRED BY THE BOARD.

(H) EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE, THE APPLICANT SHALL PASS AN EXAMINATION APPROVED BY THE BOARD.

**17-303.**

**(A) TO QUALIFY FOR A LICENSE TO PRACTICE CLINICAL MARRIAGE AND FAMILY THERAPY, AN APPLICANT SHALL BE AN INDIVIDUAL WHO MEETS THE REQUIREMENTS OF THIS SECTION.**

**(B) THE APPLICANT SHALL BE OF GOOD MORAL CHARACTER.**

**(C) THE APPLICANT SHALL BE AT LEAST 18 YEARS OLD.**

**(D) (1) EXCEPT AS PROVIDED IN § 17-306 OF THIS SUBTITLE, THE APPLICANT SHALL HOLD A MASTER'S OR DOCTORAL DEGREE IN A MARRIAGE AND FAMILY FIELD OR HAVE COMPLETED A PROGRAM OF STUDIES JUDGED BY THE BOARD TO BE SUBSTANTIALLY EQUIVALENT IN SUBJECT MATTER AND EXTENT OF TRAINING AS REQUIRED UNDER THIS SECTION.**

**(2) IN THE CASE OF AN APPLICANT HOLDING A DOCTORAL DEGREE, THE APPLICANT SHALL HAVE COMPLETED A MINIMUM OF 90 GRADUATE CREDIT HOURS IN TRAINING IN MARRIAGE AND FAMILY THERAPY APPROVED BY THE BOARD THAT INCLUDES INSTRUCTION IN THE FOLLOWING SPECIALIZED AREAS:**

**(I) ANALYSIS OF FAMILY SYSTEMS;**

**(II) FAMILY THERAPY, THEORY, AND TECHNIQUES;**

**(III) COUPLES THERAPY, THEORY, AND TECHNIQUES;**

**(IV) GENDER AND ETHNICITY IN MARRIAGE AND FAMILY THERAPY; AND**

**(V) SEXUAL ISSUES IN MARRIAGE AND FAMILY THERAPY.**

**(3) IN THE CASE OF AN APPLICANT HOLDING ONLY A MASTER'S DEGREE, THE APPLICANT SHALL HAVE COMPLETED A MINIMUM OF 60 GRADUATE CREDIT HOURS IN TRAINING IN MARRIAGE AND FAMILY THERAPY APPROVED BY THE BOARD THAT INCLUDES INSTRUCTION IN THE SPECIALIZED AREAS SET FORTH IN PARAGRAPH (2) OF THIS SUBSECTION.**

**(E) THE APPLICANT SHALL HAVE COMPLETED NOT LESS THAN 2 YEARS WITH A MINIMUM OF 2,000 HOURS OF SUPERVISED EXPERIENCE IN MARRIAGE AND FAMILY THERAPY APPROVED BY THE BOARD, 2 YEARS OF WHICH SHALL**

HAVE BEEN COMPLETED AFTER THE AWARD OF THE MASTER'S OR DOCTORAL DEGREE OR ITS SUBSTANTIAL EQUIVALENT.

(F) THE APPLICANT SHALL PROVIDE DOCUMENTATION TO THE BOARD EVIDENCING THE COMPLETION OF 60 HOURS OF GRADUATE COURSE WORK COMPLETED AT AN ACCREDITED COLLEGE OR UNIVERSITY APPROVED BY THE BOARD, THAT INCLUDED TRAINING IN:

- (1) PERSONALITY DEVELOPMENT;
- (2) DIAGNOSIS AND TREATMENT OF MENTAL AND EMOTIONAL DISORDERS;
- (3) PSYCHOPATHOLOGY;
- (4) FAMILY THERAPY; AND
- (5) PSYCHOTHERAPY.

(G) THE APPLICANT SHALL PROVIDE DOCUMENTATION EVIDENCING THE COMPLETION OF 2 YEARS OF POSTGRADUATE SUPERVISED CLINICAL EXPERIENCE AS REQUIRED BY THE BOARD.

(H) EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE, THE APPLICANT SHALL PASS AN EXAMINATION APPROVED BY THE BOARD.

**17-304.**

(A) EXCEPT AS PROVIDED IN § 17-307 OF THIS SUBTITLE, TO QUALIFY FOR A LICENSE TO PRACTICE CLINICAL PROFESSIONAL COUNSELING, AN APPLICANT SHALL BE AN INDIVIDUAL WHO MEETS THE REQUIREMENTS OF THIS SECTION.

(B) THE APPLICANT SHALL BE OF GOOD MORAL CHARACTER.

(C) THE APPLICANT SHALL BE AT LEAST 18 YEARS OLD.

(D) (1) THE APPLICANT SHALL HOLD A MASTER'S OR DOCTORAL DEGREE IN A PROFESSIONAL COUNSELING FIELD FROM AN ACCREDITED EDUCATIONAL INSTITUTION THAT IS APPROVED BY THE BOARD.

(2) IN THE CASE OF AN APPLICANT HOLDING A DOCTORAL DEGREE, THE APPLICANT SHALL HAVE COMPLETED:

**(I) A MINIMUM OF 90 GRADUATE CREDIT HOURS IN COUNSELOR TRAINING APPROVED BY THE BOARD, INCLUDING INSTRUCTION IN:**

- 1. COUNSELING THEORY AND ETHICS;**
- 2. COUNSELING TECHNIQUES;**
- 3. HUMAN GROWTH AND DEVELOPMENT AND MALADAPTIVE BEHAVIORS;**
- 4. GROUP DYNAMICS, PROCESSING, AND COUNSELING;**
- 5. SOCIAL AND CULTURAL FOUNDATIONS;**
- 6. LIFESTYLE AND CAREER DEVELOPMENT;**
- 7. APPRAISAL OF INDIVIDUALS;**
- 8. RESEARCH AND EVALUATION;**
- 9. PARTICIPATION IN A SUPERVISED PRACTICUM IN PROFESSIONAL COUNSELING;**
- 10. MARRIAGE AND FAMILY THERAPY; AND**
- 11. ALCOHOL AND DRUG COUNSELING; AND**

**(II) NOT LESS THAN 2 YEARS OF SUPERVISED EXPERIENCE IN COUNSELING APPROVED BY THE BOARD, 1 YEAR OF WHICH SHALL HAVE BEEN COMPLETED AFTER THE AWARD OF THE DOCTORAL DEGREE.**

**(3) IN THE CASE OF AN APPLICANT HOLDING ONLY A MASTER'S DEGREE, THE APPLICANT SHALL HAVE COMPLETED:**

**(I) A MINIMUM OF 60 GRADUATE CREDIT HOURS IN COUNSELOR TRAINING IN THE AREAS SET FORTH IN PARAGRAPH (2) OF THIS SUBSECTION; AND**

**(II) NOT LESS THAN 3 YEARS, WITH A MINIMUM OF 3,000 HOURS, OF SUPERVISED EXPERIENCE IN COUNSELING APPROVED BY THE**

**BOARD, 2 YEARS OF WHICH SHALL HAVE BEEN COMPLETED AFTER THE AWARD OF THE MASTER'S DEGREE.**

**(E) THE APPLICANT SHALL PROVIDE DOCUMENTATION TO THE BOARD EVIDENCING THE COMPLETION OF 60 HOURS OF GRADUATE COURSE WORK IN THE APPLICANT'S RESPECTIVE AREA OF PRACTICE FROM AN ACCREDITED COLLEGE OR UNIVERSITY PROGRAM APPROVED BY THE BOARD, INCLUDING TRAINING IN:**

- (1) PERSONALITY DEVELOPMENT;**
- (2) DIAGNOSIS AND TREATMENT OF MENTAL AND EMOTIONAL DISORDERS;**
- (3) PSYCHOPATHOLOGY; AND**
- (4) PSYCHOTHERAPY.**

**(F) THE APPLICANT SHALL PROVIDE DOCUMENTATION EVIDENCING THE COMPLETION OF 2 YEARS OF POSTGRADUATE SUPERVISED EXPERIENCE AS REQUIRED BY THE BOARD.**

**(G) EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE, THE APPLICANT SHALL PASS AN EXAMINATION APPROVED BY THE BOARD.**

**17-305.**

**(A) THE BOARD SHALL WAIVE THE REQUIREMENTS FOR LICENSURE FOR AN APPLICANT TO PRACTICE CLINICAL ALCOHOL AND DRUG COUNSELING IF THE APPLICANT:**

- (1) IS LICENSED OR CERTIFIED AS A CLINICAL ALCOHOL AND DRUG COUNSELOR IN ANOTHER STATE, TERRITORY, OR JURISDICTION THAT HAS REQUIREMENTS THAT ARE EQUIVALENT TO OR EXCEED THE REQUIREMENTS OF § 17-302 OF THIS SUBTITLE;**
- (2) SUBMITS AN APPLICATION TO THE BOARD ON A FORM THAT THE BOARD REQUIRES; AND**
- (3) PAYS TO THE BOARD AN APPLICATION FEE SET BY THE BOARD.**

(B) THE BOARD SHALL ADOPT REGULATIONS TO IMPLEMENT THIS SECTION.

**17-306.**

(A) THE BOARD SHALL WAIVE THE REQUIREMENTS FOR LICENSURE FOR AN APPLICANT TO PRACTICE CLINICAL MARRIAGE AND FAMILY THERAPY IF THE APPLICANT:

(1) IS LICENSED OR CERTIFIED AS A CLINICAL MARRIAGE AND FAMILY THERAPIST IN ANOTHER STATE, TERRITORY, OR JURISDICTION THAT HAS REQUIREMENTS THAT ARE EQUIVALENT TO OR EXCEED THE REQUIREMENTS OF § 17-303 OF THIS SUBTITLE;

(2) SUBMITS AN APPLICATION ON THE FORM THAT THE BOARD REQUIRES; AND

(3) PAYS TO THE BOARD THE APPLICATION FEE SET BY THE BOARD.

(B) THE BOARD SHALL ADOPT REGULATIONS TO IMPLEMENT THIS SECTION.

**17-307.**

(A) THE BOARD SHALL WAIVE THE REQUIREMENTS FOR LICENSURE FOR AN APPLICANT TO PRACTICE CLINICAL PROFESSIONAL COUNSELING IF THE APPLICANT:

(1) IS LICENSED OR CERTIFIED AS A CLINICAL PROFESSIONAL COUNSELOR IN ANOTHER STATE, TERRITORY, OR JURISDICTION THAT HAS REQUIREMENTS THAT ARE EQUIVALENT TO OR EXCEED THE REQUIREMENTS OF § 17-304 OF THIS SUBTITLE;

(2) SUBMITS AN APPLICATION TO THE BOARD ON A FORM THAT THE BOARD REQUIRES; AND

(3) PAYS TO THE BOARD AN APPLICATION FEE SET BY THE BOARD.

(B) THE BOARD SHALL ADOPT REGULATIONS TO IMPLEMENT THIS SECTION.

**17-308.**

(A) A LICENSE AUTHORIZES THE LICENSEE TO PRACTICE CLINICAL ALCOHOL AND DRUG COUNSELING, CLINICAL MARRIAGE AND FAMILY THERAPY, OR CLINICAL PROFESSIONAL COUNSELING WHILE THE LICENSE IS EFFECTIVE.

(B) AN INDIVIDUAL LICENSED UNDER THIS SUBTITLE MAY PROVIDE SERVICES INVOLVING THE APPLICATION OF COUNSELING PRINCIPLES AND METHODS IN THE DIAGNOSIS, PREVENTION, TREATMENT, AND AMELIORATION OF PSYCHOLOGICAL PROBLEMS, EMOTIONAL CONDITIONS, OR MENTAL CONDITIONS OF INDIVIDUALS OR GROUPS.

**17-309.**

(A) THE BOARD MAY ADOPT REGULATIONS TO ALLOW AN INDIVIDUAL TO PRACTICE UNDER SUPERVISION AS A LICENSED GRADUATE ALCOHOL AND DRUG COUNSELOR, A LICENSED GRADUATE MARRIAGE AND FAMILY THERAPIST, OR A LICENSED GRADUATE PROFESSIONAL COUNSELOR.

(B) TO QUALIFY TO PRACTICE AS A LICENSED GRADUATE ALCOHOL AND DRUG COUNSELOR, A LICENSED GRADUATE MARRIAGE AND FAMILY THERAPIST, OR A LICENSED GRADUATE PROFESSIONAL COUNSELOR, AN INDIVIDUAL SHALL BE:

(1) OF GOOD MORAL CHARACTER; AND

(2) AT LEAST 18 YEARS OLD.

(C) AN INDIVIDUAL MAY PRACTICE GRADUATE ALCOHOL AND DRUG COUNSELING UNDER SUPERVISION FOR A LIMITED PERIOD OF TIME IF THE INDIVIDUAL HAS:

(1) A MASTER'S OR DOCTORAL DEGREE IN A HEALTH AND HUMAN SERVICES COUNSELING FIELD THAT MEETS THE EDUCATIONAL REQUIREMENTS OF § 17-302 OF THIS SUBTITLE; AND

(2) PASSED THE NATIONAL ALCOHOL AND DRUG COUNSELOR EXAMINATION APPROVED BY THE BOARD.

(D) AN INDIVIDUAL MAY PRACTICE GRADUATE MARRIAGE AND FAMILY THERAPY UNDER SUPERVISION FOR A LIMITED PERIOD OF TIME IF THE INDIVIDUAL HAS:

(1) A MASTER'S OR DOCTORAL DEGREE IN A MARRIAGE AND FAMILY FIELD THAT MEETS THE EDUCATIONAL REQUIREMENTS OF § 17-303 OF THIS SUBTITLE; AND

(2) PASSED THE NATIONAL MARRIAGE AND FAMILY THERAPY EXAMINATION APPROVED BY THE BOARD.

(E) AN INDIVIDUAL MAY PRACTICE GRADUATE PROFESSIONAL COUNSELING UNDER SUPERVISION FOR A LIMITED PERIOD OF TIME IF THE INDIVIDUAL HAS:

(1) A MASTER'S OR DOCTORAL DEGREE IN A PROFESSIONAL COUNSELING FIELD THAT MEETS THE EDUCATIONAL REQUIREMENTS OF § 17-304 OF THIS SUBTITLE; AND

(2) PASSED THE NATIONAL PROFESSIONAL COUNSELOR EXAMINATION APPROVED BY THE BOARD.

(F) AN INDIVIDUAL MAY NOT PRACTICE WITHOUT APPROVAL BY THE BOARD.

#### SUBTITLE 4. CERTIFICATION.

#### 17-401.

(A) (1) THIS SUBSECTION ONLY APPLIES TO INDIVIDUALS CERTIFIED BY THE BOARD AS A CERTIFIED PROFESSIONAL COUNSELOR OR CERTIFIED PROFESSIONAL COUNSELOR-MARRIAGE AND FAMILY THERAPIST ON OR BEFORE SEPTEMBER 30, 2008.

(2) (I) AN INDIVIDUAL SHALL BE CERTIFIED AS A PROFESSIONAL COUNSELOR BY THE BOARD BEFORE THE INDIVIDUAL MAY:

1. USE THE TITLE "CERTIFIED PROFESSIONAL COUNSELOR";

2. USE THE INITIALS "C.P.C." AFTER THE NAME OF THE INDIVIDUAL; OR

3. REPRESENT TO THE PUBLIC THAT THE INDIVIDUAL IS CERTIFIED AS A PROFESSIONAL COUNSELOR.

(II) A CERTIFICATE TO PRACTICE PROFESSIONAL COUNSELING ISSUED BY THE BOARD AUTHORIZES THE CERTIFICATE HOLDER TO PRACTICE PROFESSIONAL COUNSELING WHILE THE CERTIFICATE IS EFFECTIVE.

(3) (I) AN INDIVIDUAL SHALL BE CERTIFIED AS A PROFESSIONAL COUNSELOR-MARRIAGE AND FAMILY THERAPIST BY THE BOARD BEFORE THE INDIVIDUAL MAY:

1. USE THE TITLE "CERTIFIED PROFESSIONAL COUNSELOR-MARRIAGE AND FAMILY THERAPIST";

2. USE THE INITIALS "C.P.C.-M.F.T." AFTER THE NAME OF THE INDIVIDUAL; OR

3. REPRESENT TO THE PUBLIC THAT THE INDIVIDUAL IS CERTIFIED AS A CERTIFIED PROFESSIONAL COUNSELOR-MARRIAGE AND FAMILY THERAPIST.

(II) A CERTIFICATE TO PRACTICE MARRIAGE AND FAMILY THERAPY ISSUED BY THE BOARD AUTHORIZES THE CERTIFICATE HOLDER TO PRACTICE MARRIAGE AND FAMILY THERAPY WHILE THE CERTIFICATE IS EFFECTIVE.

(B) (1) AN INDIVIDUAL SHALL BE CERTIFIED AS A CERTIFIED PROFESSIONAL COUNSELOR-ALCOHOL AND DRUG BY THE BOARD BEFORE THE INDIVIDUAL MAY:

(I) USE THE TITLE "CERTIFIED PROFESSIONAL COUNSELOR-ALCOHOL AND DRUG";

(II) USE THE INITIALS "C.P.C.-A.D." AFTER THE NAME OF THE INDIVIDUAL; OR

(III) REPRESENT TO THE PUBLIC THAT THE INDIVIDUAL IS CERTIFIED AS A CERTIFIED PROFESSIONAL COUNSELOR-ALCOHOL AND DRUG.

(2) AN INDIVIDUAL SHALL BE CERTIFIED AS A CERTIFIED ASSOCIATE COUNSELOR-ALCOHOL AND DRUG BY THE BOARD BEFORE THE INDIVIDUAL MAY:

(I) USE THE TITLE "CERTIFIED ASSOCIATE COUNSELOR-ALCOHOL AND DRUG";

(II) USE THE INITIALS "C.A.C.-A.D." AFTER THE NAME OF THE INDIVIDUAL; OR

(III) REPRESENT TO THE PUBLIC THAT THE INDIVIDUAL IS CERTIFIED AS A CERTIFIED ASSOCIATE COUNSELOR-ALCOHOL AND DRUG.

(3) AN INDIVIDUAL SHALL BE CERTIFIED AS A CERTIFIED SUPERVISED COUNSELOR-ALCOHOL AND DRUG BY THE BOARD BEFORE THE INDIVIDUAL MAY:

(I) USE THE TITLE "CERTIFIED SUPERVISED COUNSELOR-ALCOHOL AND DRUG";

(II) USE THE INITIALS "C.S.C.-A.D." AFTER THE NAME OF THE INDIVIDUAL; OR

(III) REPRESENT TO THE PUBLIC THAT THE INDIVIDUAL IS CERTIFIED AS A CERTIFIED SUPERVISED COUNSELOR-ALCOHOL AND DRUG.

(4) A CERTIFICATE TO PRACTICE ALCOHOL AND DRUG COUNSELING ISSUED BY THE BOARD AUTHORIZES THE CERTIFICATE HOLDER TO PRACTICE ALCOHOL AND DRUG COUNSELING WHILE THE CERTIFICATE IS EFFECTIVE.

**17-402.**

(A) EXCEPT AS PROVIDED IN § 17-405 OF THIS SUBTITLE, TO QUALIFY AS A CERTIFIED PROFESSIONAL COUNSELOR-ALCOHOL AND DRUG, AN APPLICANT SHALL MEET THE REQUIREMENTS OF THIS SECTION.

(B) THE APPLICANT SHALL BE OF GOOD MORAL CHARACTER.

(C) THE APPLICANT SHALL BE AT LEAST 18 YEARS OLD.

(D) (1) THE APPLICANT SHALL HOLD A MASTER'S OR DOCTORAL DEGREE IN A HEALTH AND HUMAN SERVICES COUNSELING FIELD FROM AN ACCREDITED EDUCATIONAL INSTITUTION THAT IS APPROVED BY THE BOARD OR HAVE COMPLETED A PROGRAM OF STUDIES JUDGED BY THE BOARD TO BE SUBSTANTIALLY EQUIVALENT IN SUBJECT MATTER AND EXTENT OF TRAINING AS REQUIRED UNDER THIS SECTION.

**(2) IN THE CASE OF AN APPLICANT HOLDING A DOCTORAL DEGREE, THE APPLICANT SHALL HAVE COMPLETED A MINIMUM OF 90 GRADUATE CREDIT HOURS IN COUNSELOR TRAINING APPROVED BY THE BOARD, INCLUDING INSTRUCTION IN THE FOLLOWING AREAS:**

- (I) COUNSELING THEORY AND ETHICS;**
- (II) COUNSELING TECHNIQUES;**
- (III) HUMAN GROWTH AND DEVELOPMENT AND MALADAPTIVE BEHAVIORS;**
- (IV) GROUP DYNAMICS, PROCESSING, AND COUNSELING;**
- (V) SOCIAL AND CULTURAL FOUNDATIONS;**
- (VI) LIFESTYLE AND CAREER DEVELOPMENT;**
- (VII) APPRAISAL OF INDIVIDUALS;**
- (VIII) RESEARCH AND EVALUATION;**
- (IX) PARTICIPATION IN A SUPERVISED PRACTICUM IN PROFESSIONAL COUNSELING;**
- (X) MARRIAGE AND FAMILY THERAPY; AND**
- (XI) ALCOHOL AND DRUG COUNSELING.**

**(3) IN THE CASE OF AN APPLICANT HOLDING ONLY A MASTER'S DEGREE, THE APPLICANT SHALL HAVE COMPLETED A MINIMUM OF 60 GRADUATE CREDIT HOURS IN COUNSELOR TRAINING APPROVED BY THE BOARD INCLUDING INSTRUCTION IN THE AREAS SET FORTH IN PARAGRAPH (2) OF THIS SUBSECTION.**

**(4) THE APPLICANT SHALL HAVE COMPLETED A MINIMUM OF 26 CREDIT HOURS IN ALCOHOL AND DRUG COUNSELOR TRAINING, INCLUDING INSTRUCTION IN:**

- (I) MEDICAL ASPECTS OF CHEMICAL DEPENDENCY;**
- (II) GROUP COUNSELING;**

- (III) INDIVIDUAL COUNSELING;
- (IV) FAMILY COUNSELING;
- (V) ASSESSMENT AND TREATMENT PLANNING;
- (VI) ETHICS FOR ALCOHOL AND DRUG COUNSELORS;
- (VII) HUMAN DEVELOPMENT;
- (VIII) ABNORMAL PSYCHOLOGY; AND

(IX) COURSES PERTAINING TO COUNSELOR CORE FUNCTIONS OF SCREENING, INTAKE, ORIENTATION, CASE MANAGEMENT, CRISIS INTERVENTION, EDUCATION AND PREVENTION, REFERRAL, CONSULTATION, REPORTS AND RECORD KEEPING, AND SPECIAL ALCOHOL AND DRUG DEPENDENCY TOPICS.

(E) THE APPLICANT SHALL HAVE COMPLETED NOT LESS THAN 3 YEARS WITH A MINIMUM OF 2,000 HOURS OF SUPERVISED EXPERIENCE IN ALCOHOL AND DRUG COUNSELING APPROVED BY THE BOARD, 2 YEARS OF WHICH SHALL HAVE BEEN COMPLETED AFTER THE AWARD OF THE MASTER'S OR DOCTORAL DEGREE OR ITS SUBSTANTIAL EQUIVALENT.

(F) EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE, THE APPLICANT SHALL PASS AN EXAMINATION APPROVED BY THE BOARD UNDER THIS TITLE.

#### **17-403.**

(A) EXCEPT AS PROVIDED IN § 17-405 OF THIS SUBTITLE, TO QUALIFY AS A CERTIFIED ASSOCIATE COUNSELOR-ALCOHOL AND DRUG, AN APPLICANT SHALL:

(1) HOLD A BACHELOR'S DEGREE FROM AN ACCREDITED EDUCATIONAL INSTITUTION APPROVED BY THE BOARD IN A HEALTH AND HUMAN SERVICES COUNSELING FIELD OR HAVE COMPLETED A PROGRAM OF STUDIES JUDGED BY THE BOARD TO BE SUBSTANTIALLY EQUIVALENT IN SUBJECT MATTER AND EXTENT OF TRAINING TO SUCH A PROGRAM OF STUDIES;

(2) HAVE COMPLETED NOT LESS THAN 3 YEARS, WITH A MINIMUM OF 2,000 HOURS OF SUPERVISED EXPERIENCE IN ALCOHOL AND DRUG COUNSELING APPROVED BY THE BOARD, 2 YEARS OF WHICH SHALL HAVE BEEN COMPLETED AFTER THE AWARD OF THE BACHELOR'S DEGREE;

**(3) HAVE A MINIMUM OF 20 CREDIT HOURS IN ALCOHOL AND DRUG COUNSELOR TRAINING, INCLUDING INSTRUCTION IN:**

- (I) MEDICAL ASPECTS OF CHEMICAL DEPENDENCY;**
- (II) GROUP COUNSELING;**
- (III) INDIVIDUAL COUNSELING;**
- (IV) FAMILY COUNSELING;**
- (V) ASSESSMENT AND TREATMENT PLANNING;**
- (VI) ETHICS FOR ALCOHOL AND DRUG COUNSELORS;**
- (VII) HUMAN DEVELOPMENT;**
- (VIII) ABNORMAL PSYCHOLOGY; AND**

**(IX) COURSES PERTAINING TO COUNSELOR CORE FUNCTIONS OF SCREENING, INTAKE, ORIENTATION, CASE MANAGEMENT, CRISIS INTERVENTION, EDUCATION AND PREVENTION, REFERRAL, CONSULTATION, REPORTS AND RECORD KEEPING, AND SPECIAL ALCOHOL AND DRUG DEPENDENCY TOPICS; AND**

**(4) (I) PRACTICE ALCOHOL AND DRUG COUNSELING UNDER THE SUPERVISION OF A CERTIFIED PROFESSIONAL COUNSELOR-ALCOHOL AND DRUG OR ANOTHER HEALTH CARE PROVIDER APPROVED BY THE BOARD; OR**

**(II) PROVIDE ALCOHOL AND DRUG COUNSELING AS AN EMPLOYEE OF AN AGENCY OR FACILITY THAT IS ACCREDITED BY THE JOINT COMMISSION ON THE ACCREDITATION OF HEALTH CARE ORGANIZATIONS OR THAT IS CERTIFIED UNDER TITLE 8, SUBTITLE 4 OF THE HEALTH - GENERAL ARTICLE.**

**(B) EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE, THE APPLICANT SHALL PASS AN EXAMINATION APPROVED BY THE BOARD UNDER THIS TITLE.**

**17-404.**

**(A) TO QUALIFY AS A CERTIFIED SUPERVISED COUNSELOR-ALCOHOL AND DRUG, AN APPLICANT SHALL:**

**(1) HOLD AN ASSOCIATE'S DEGREE IN A HEALTH AND HUMAN SERVICES COUNSELING FIELD OR HAVE COMPLETED A PROGRAM OF STUDIES JUDGED BY THE BOARD TO BE SUBSTANTIALLY EQUIVALENT IN SUBJECT MATTER TO SUCH A PROGRAM OF STUDIES;**

**(2) HAVE COMPLETED NOT LESS THAN 2 YEARS, WITH A MINIMUM OF 2,000 HOURS OF SUPERVISED EXPERIENCE IN ALCOHOL AND DRUG COUNSELING APPROVED BY THE BOARD, 1 YEAR OF WHICH SHALL HAVE BEEN COMPLETED AFTER THE AWARD OF THE ASSOCIATE'S DEGREE;**

**(3) HAVE A MINIMUM OF 15 CREDIT HOURS IN ALCOHOL AND DRUG COUNSELOR TRAINING, INCLUDING INSTRUCTION IN:**

**(i) MEDICAL ASPECTS OF CHEMICAL DEPENDENCY;**

**(ii) GROUP COUNSELING;**

**(iii) INDIVIDUAL COUNSELING;**

**(iv) FAMILY COUNSELING;**

**(v) ASSESSMENT AND TREATMENT PLANNING;**

**(vi) ETHICS FOR ALCOHOL AND DRUG COUNSELORS;**

**(vii) HUMAN DEVELOPMENT;**

**(viii) ABNORMAL PSYCHOLOGY; AND**

**(ix) COURSES PERTAINING TO COUNSELOR CORE FUNCTIONS OF SCREENING, INTAKE, ORIENTATION, CASE MANAGEMENT, CRISIS INTERVENTION, EDUCATION AND PREVENTION, REFERRAL, CONSULTATION, REPORTS AND RECORD KEEPING, AND SPECIAL ALCOHOL AND DRUG DEPENDENCY TOPICS; AND**

**(4) PRACTICE ALCOHOL AND DRUG COUNSELING UNDER THE SUPERVISION OF A CERTIFIED PROFESSIONAL COUNSELOR-ALCOHOL AND DRUG OR ANOTHER HEALTH CARE PROVIDER APPROVED BY THE BOARD AND PROVIDE ALCOHOL AND DRUG COUNSELING AS AN EMPLOYEE OF AN AGENCY OR FACILITY THAT IS ACCREDITED BY THE JOINT COMMISSION ON THE ACCREDITATION OF HEALTH CARE ORGANIZATIONS OR THAT IS CERTIFIED UNDER TITLE 8, SUBTITLE 4 OF THE HEALTH - GENERAL ARTICLE.**

**(B) EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE, THE APPLICANT SHALL PASS AN EXAMINATION APPROVED BY THE BOARD UNDER THIS TITLE.**

**17-405.**

**(A) THE BOARD SHALL WAIVE THE REQUIREMENTS FOR CERTIFICATION FOR AN APPLICANT TO PRACTICE ALCOHOL AND DRUG COUNSELING IF THE APPLICANT MEETS THE REQUIREMENTS OF THIS SECTION.**

**(B) IF THE APPLICANT IS LICENSED OR CERTIFIED TO PRACTICE AS A PROFESSIONAL COUNSELOR-ALCOHOL AND DRUG, THE BOARD SHALL GRANT A WAIVER UNDER THIS SECTION ONLY IF THE APPLICANT:**

**(1) IS LICENSED OR CERTIFIED IN ANOTHER STATE, TERRITORY, OR JURISDICTION THAT HAS REQUIREMENTS THAT ARE EQUIVALENT TO OR EXCEED THE REQUIREMENTS OF § 17-402 OF THIS SUBTITLE;**

**(2) SUBMITS AN APPLICATION TO THE BOARD ON A FORM THAT THE BOARD REQUIRES; AND**

**(3) PAYS TO THE BOARD AN APPLICATION FEE SET BY THE BOARD.**

**(C) IF THE APPLICANT IS LICENSED OR CERTIFIED TO PRACTICE AS AN ASSOCIATE COUNSELOR-ALCOHOL AND DRUG, THE BOARD SHALL GRANT A WAIVER UNDER THIS SECTION ONLY IF THE APPLICANT:**

**(1) IS LICENSED OR CERTIFIED IN ANOTHER STATE, TERRITORY, OR JURISDICTION THAT HAS REQUIREMENTS THAT ARE EQUIVALENT TO OR EXCEED THE REQUIREMENTS OF § 17-403 OF THIS SUBTITLE;**

**(2) SUBMITS AN APPLICATION TO THE BOARD ON A FORM THAT THE BOARD REQUIRES; AND**

**(3) PAYS TO THE BOARD AN APPLICATION FEE SET BY THE BOARD.**

**(D) IF THE APPLICANT IS LICENSED OR CERTIFIED TO PRACTICE AS A SUPERVISED COUNSELOR-ALCOHOL AND DRUG, THE BOARD SHALL GRANT A WAIVER UNDER THIS SECTION ONLY IF THE APPLICANT:**

(1) IS LICENSED OR CERTIFIED IN ANOTHER STATE, TERRITORY, OR JURISDICTION THAT HAS REQUIREMENTS THAT ARE EQUIVALENT TO OR EXCEED THE REQUIREMENTS OF § 17-404 OF THIS SUBTITLE;

(2) SUBMITS AN APPLICATION TO THE BOARD ON A FORM THAT THE BOARD REQUIRES; AND

(3) PAYS TO THE BOARD AN APPLICATION FEE SET BY THE BOARD.

(E) THE BOARD SHALL ADOPT REGULATIONS TO CARRY OUT THIS SECTION.

**17-406.**

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

(2) "APPROVED ALCOHOL AND DRUG SUPERVISOR" MEANS:

(I) A CERTIFIED PROFESSIONAL COUNSELOR-ALCOHOL AND DRUG;

(II) A LICENSED CLINICAL ALCOHOL AND DRUG COUNSELOR; OR

(III) A HEALTH CARE PROVIDER LICENSED OR CERTIFIED UNDER THIS ARTICLE WITH DOCUMENTED EXPERTISE IN ALCOHOL AND DRUG COUNSELING, AS APPROVED BY THE BOARD.

(3) "UNDER THE SUPERVISION OF AN APPROVED ALCOHOL AND DRUG SUPERVISOR" MEANS ENGAGING IN AN ONGOING PROCESS THAT INCLUDES DIRECT, ON-SITE, FACE-TO-FACE, INDIVIDUAL OR GROUP MEETINGS WITH AN APPROVED ALCOHOL AND DRUG SUPERVISOR FOCUSED ON QUALITY OF DELIVERY OF ALCOHOL AND DRUG COUNSELING SERVICES AND IMPROVEMENT OF COUNSELING SKILLS FOR A MINIMUM OF 1 DOCUMENTED HOUR FOR EACH 40-HOUR WORKWEEK BUT NOT LESS THAN 2 DOCUMENTED HOURS PER MONTH FOR LESS THAN A 40-HOUR WORKWEEK.

(B) (1) AN INDIVIDUAL MAY PRACTICE CLINICAL ALCOHOL AND DRUG COUNSELING WITHOUT A LICENSE FOR A LIMITED PERIOD OF TIME, AS DETERMINED BY THE BOARD, IF THE INDIVIDUAL IS WORKING AS A TRAINEE UNDER THE SUPERVISION OF AN APPROVED ALCOHOL AND DRUG SUPERVISOR

WHILE FULFILLING THE EXPERIENTIAL OR COURSE OF STUDY REQUIREMENTS UNDER § 17-302 OF THIS TITLE OR § 17-402, § 17-403, OR § 17-404 OF THIS SUBTITLE.

(2) AN INDIVIDUAL MAY PRACTICE ALCOHOL AND DRUG COUNSELING WITHOUT CERTIFICATION FOR A LIMITED PERIOD OF TIME, AS DETERMINED BY THE BOARD, IF THE INDIVIDUAL IS WORKING AS A TRAINEE UNDER THE SUPERVISION OF AN APPROVED ALCOHOL AND DRUG SUPERVISOR WHILE FULFILLING THE EXPERIENTIAL OR COURSE OF STUDY REQUIREMENTS UNDER § 17-302 OF THIS TITLE OR § 17-402, § 17-403, OR § 17-404 OF THIS SUBTITLE.

**SUBTITLE 5. GENERAL PROVISIONS; DISCIPLINARY ACTIONS.**

**17-501.**

TO APPLY FOR A LICENSE OR CERTIFICATE, AN APPLICANT SHALL:

(1) SUBMIT AN APPLICATION ON THE FORM THAT THE BOARD REQUIRES; AND

(2) PAY TO THE BOARD THE APPLICATION FEE SET BY THE BOARD.

**17-502.**

(A) AN APPLICANT WHO OTHERWISE QUALIFIES FOR A LICENSE OR CERTIFICATE IS ENTITLED TO BE EXAMINED AS PROVIDED IN THIS SECTION.

(B) THE BOARD SHALL GIVE EXAMINATIONS TO APPLICANTS AT LEAST TWICE A YEAR, AT THE TIMES AND PLACES THAT THE BOARD DETERMINES.

(C) THE BOARD SHALL NOTIFY EACH QUALIFIED APPLICANT OF THE TIME AND PLACE OF EXAMINATION.

(D) (1) THE BOARD MAY NOT LIMIT THE NUMBER OF TIMES AN APPLICANT MAY TAKE AN EXAMINATION REQUIRED UNDER THIS TITLE.

(2) THE APPLICANT SHALL PAY TO THE BOARD A REEXAMINATION FEE SET BY THE BOARD FOR EACH REEXAMINATION.

(E) THE EXAMINATION SHALL INCLUDE A PORTION THAT TESTS AN APPLICANT'S KNOWLEDGE OF THE MARYLAND PROFESSIONAL COUNSELORS AND THERAPISTS ACT.

**17-503.**

(A) THE BOARD SHALL ISSUE A LICENSE OR CERTIFICATE TO ANY APPLICANT WHO MEETS THE REQUIREMENTS OF THIS TITLE.

(B) THE BOARD SHALL INCLUDE ON EACH LICENSE AND CERTIFICATE THAT THE BOARD ISSUES:

- (1) THE KIND OF LICENSE OR CERTIFICATE;
- (2) THE FULL NAME OF THE LICENSEE OR CERTIFICATE HOLDER;
- (3) A SERIAL NUMBER;
- (4) THE SIGNATURES OF THE CHAIRMAN AND THE SECRETARY OF THE BOARD; AND
- (5) THE SEAL OF THE BOARD.

(C) THE BOARD MAY ISSUE A LICENSE OR CERTIFICATE TO REPLACE A LOST, DESTROYED, OR MUTILATED LICENSE OR CERTIFICATE IF THE LICENSEE OR CERTIFICATE HOLDER PAYS THE REPLACEMENT FEE SET BY THE BOARD.

**17-504.**

(A) (1) A LICENSE OR CERTIFICATE EXPIRES ON THE DATE SET BY THE BOARD, UNLESS THE LICENSE OR CERTIFICATE IS RENEWED FOR AN ADDITIONAL TERM AS PROVIDED IN THIS SECTION.

(2) A LICENSE OR CERTIFICATE MAY NOT BE RENEWED FOR A TERM LONGER THAN 2 YEARS.

(B) AT LEAST 1 MONTH BEFORE THE LICENSE OR CERTIFICATE EXPIRES, THE BOARD SHALL SEND TO THE LICENSEE OR CERTIFICATE HOLDER, BY FIRST-CLASS MAIL TO THE LAST KNOWN ADDRESS OF THE LICENSEE OR CERTIFICATE HOLDER, A RENEWAL NOTICE THAT STATES:

(1) THE DATE ON WHICH THE CURRENT LICENSE OR CERTIFICATE EXPIRES;

**(2) THE DATE BY WHICH THE RENEWAL APPLICATION MUST BE RECEIVED BY THE BOARD FOR THE RENEWAL TO BE ISSUED AND MAILED BEFORE THE LICENSE OR CERTIFICATE EXPIRES; AND**

**(3) THE AMOUNT OF THE RENEWAL FEE.**

**(C) EACH LICENSEE OR CERTIFICATE HOLDER SHALL NOTIFY THE BOARD OF ANY CHANGE IN THE ADDRESS OF THE LICENSEE OR CERTIFICATE HOLDER.**

**(D) BEFORE THE LICENSE OR CERTIFICATE EXPIRES, THE LICENSEE OR CERTIFICATE HOLDER PERIODICALLY MAY RENEW IT FOR AN ADDITIONAL 2-YEAR TERM, IF THE LICENSEE OR CERTIFICATE HOLDER:**

**(1) OTHERWISE IS ENTITLED TO BE LICENSED OR CERTIFIED;**

**(2) PAYS TO THE BOARD THE RENEWAL FEE SET BY THE BOARD;**

**(3) SUBMITS TO THE BOARD A RENEWAL APPLICATION ON THE FORM THAT THE BOARD REQUIRES; AND**

**(4) SUBMITS SATISFACTORY EVIDENCE OF COMPLIANCE WITH ANY CONTINUING EDUCATION REQUIREMENTS AS REQUIRED BY THE BOARD FOR LICENSE OR CERTIFICATE RENEWAL.**

**(E) THE BOARD MAY NOT AUTHORIZE HOME STUDY TOWARDS THE COMPLETION OF THE CONTINUING EDUCATION REQUIREMENTS.**

**(F) (1) THE BOARD SHALL RENEW THE LICENSE OR CERTIFICATE OF AND ISSUE A RENEWAL LICENSE OR CERTIFICATE TO EACH LICENSEE OR CERTIFICATE HOLDER WHO MEETS THE REQUIREMENTS OF THIS SECTION.**

**(2) THE BOARD SHALL INCLUDE THE TERM OF THE RENEWAL ON EACH RENEWAL LICENSE OR CERTIFICATE THAT THE BOARD ISSUES.**

**17-505.**

**(A) (1) EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, THE BOARD SHALL PLACE A LICENSEE OR CERTIFICATE HOLDER ON INACTIVE STATUS, IF THE LICENSEE OR CERTIFICATE HOLDER:**

(I) SUBMITS TO THE BOARD AN APPLICATION FOR INACTIVE STATUS ON THE FORM REQUIRED BY THE BOARD; AND

(II) PAYS THE INACTIVE STATUS FEE SET BY THE BOARD.

(2) THE BOARD SHALL ISSUE A LICENSE OR CERTIFICATE TO AN INDIVIDUAL WHO IS ON INACTIVE STATUS IF THE INDIVIDUAL COMPLIES WITH THE RENEWAL REQUIREMENTS THAT ARE IN EFFECT WHEN THE INDIVIDUAL REQUESTS THE RENEWAL OF THE LICENSE OR CERTIFICATE.

(3) THE BOARD MAY NOT PLACE A CERTIFIED PROFESSIONAL COUNSELOR-MARRIAGE AND FAMILY THERAPIST OR A CERTIFIED PROFESSIONAL COUNSELOR ON INACTIVE STATUS.

(B) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE BOARD, IN ACCORDANCE WITH ITS REGULATIONS, MAY REINSTATE THE LICENSE OF A LICENSEE OR THE CERTIFICATE OF A CERTIFICATE HOLDER WHO HAS FAILED TO RENEW THE LICENSE OR CERTIFICATE FOR ANY REASON.

(2) THE BOARD MAY NOT REINSTATE THE CERTIFICATE OF A CERTIFIED PROFESSIONAL COUNSELOR-MARRIAGE AND FAMILY THERAPIST OR CERTIFIED PROFESSIONAL COUNSELOR WHO HAS FAILED TO RENEW THE CERTIFICATE FOR ANY REASON.

17-506.

EACH LICENSEE OR CERTIFICATE HOLDER SHALL DISPLAY THE LICENSE OR CERTIFICATE CONSPICUOUSLY IN THE LICENSEE'S OR CERTIFICATE HOLDER'S OFFICE OR PLACE OF EMPLOYMENT.

17-507.

(A) ANY INDIVIDUAL WHO IS LICENSED UNDER SUBTITLE 3 OF THIS TITLE OR CERTIFIED UNDER SUBTITLE 4 OF THIS TITLE MAY NOT CHARGE A CLIENT OR RECEIVE REMUNERATION FOR COUNSELING OR THERAPY SERVICES UNLESS:

(1) BEFORE THE PERFORMANCE OF THOSE SERVICES, THE CLIENT IS FURNISHED A COPY OF A PROFESSIONAL DISCLOSURE STATEMENT; OR

(2) (I) THIS PROFESSIONAL DISCLOSURE STATEMENT IS DISPLAYED IN A CONSPICUOUS LOCATION AT THE PLACE WHERE THE SERVICES ARE PERFORMED; AND

(II) A COPY OF THE STATEMENT IS PROVIDED TO THE CLIENT ON REQUEST.

(B) THE PROFESSIONAL DISCLOSURE STATEMENT SHALL CONTAIN:

(1) THE NAME, TITLE, BUSINESS ADDRESS, AND BUSINESS TELEPHONE NUMBER OF THE LICENSEE OR CERTIFICATE HOLDER PERFORMING THE SERVICES;

(2) THE FORMAL PROFESSIONAL EDUCATION OF THE LICENSEE OR CERTIFICATE HOLDER, INCLUDING THE INSTITUTIONS ATTENDED AND THE DEGREES RECEIVED FROM THEM;

(3) THE AREAS OF SPECIALIZATION OF THE LICENSEE OR CERTIFICATE HOLDER AND THE SERVICES PROVIDED;

(4) IN THE CASE OF AN INDIVIDUAL LICENSED UNDER SUBTITLE 3 OF THIS TITLE OR CERTIFIED UNDER SUBTITLE 4 OF THIS TITLE WHO IS ENGAGED IN A PRIVATE INDIVIDUAL PRACTICE, PARTNERSHIP, OR GROUP PRACTICE, THE INDIVIDUAL'S FEE SCHEDULE LISTED BY TYPE OF SERVICE OR HOURLY RATE;

(5) AT THE BOTTOM OF THE FIRST PAGE OF THE DISCLOSURE STATEMENT, THE WORDS, "THIS INFORMATION IS REQUIRED BY THE BOARD OF PROFESSIONAL COUNSELORS AND THERAPISTS, WHICH REGULATES ALL LICENSED AND CERTIFIED COUNSELORS AND THERAPISTS."; AND

(6) IMMEDIATELY BENEATH THE STATEMENT REQUIRED BY ITEM (5) OF THIS SUBSECTION, THE NAME, ADDRESS, AND TELEPHONE NUMBER OF THE BOARD.

17-508.

(A) IN THIS SECTION, "REGULATED COUNSELOR OR THERAPIST" MEANS:

(1) A LICENSED CLINICAL ALCOHOL AND DRUG COUNSELOR;

(2) A LICENSED CLINICAL MARRIAGE AND FAMILY THERAPIST;

- (3) A LICENSED CLINICAL PROFESSIONAL COUNSELOR;
- (4) A LICENSED GRADUATE ALCOHOL AND DRUG COUNSELOR;
- (5) A LICENSED GRADUATE MARRIAGE AND FAMILY THERAPIST;
- (6) A LICENSED GRADUATE PROFESSIONAL COUNSELOR;
- (7) A CERTIFIED PROFESSIONAL COUNSELOR-ALCOHOL AND DRUG COUNSELOR;
- (8) A CERTIFIED ASSOCIATE COUNSELOR-ALCOHOL AND DRUG COUNSELOR;
- (9) A CERTIFIED SUPERVISED COUNSELOR-ALCOHOL AND DRUG COUNSELOR;
- (10) A CERTIFIED PROFESSIONAL COUNSELOR-MARRIAGE AND FAMILY THERAPIST; AND
- (11) A CERTIFIED PROFESSIONAL COUNSELOR.

(B) UNLESS THE BOARD AGREES TO ACCEPT THE SURRENDER OF A LICENSE OR CERTIFICATE, WHILE THE LICENSEE OR CERTIFICATE HOLDER IS UNDER INVESTIGATION OR WHILE CHARGES ARE PENDING AGAINST THE LICENSEE OR CERTIFICATE HOLDER, A REGULATED COUNSELOR OR THERAPIST MAY NOT:

- (1) SURRENDER THE LICENSE OR CERTIFICATE; OR
- (2) ALLOW THE LICENSE OR CERTIFICATE TO LAPSE BY OPERATION OF LAW.

(C) THE BOARD MAY SET CONDITIONS ON ITS AGREEMENT WITH THE REGULATED COUNSELOR OR THERAPIST UNDER INVESTIGATION OR AGAINST WHOM CHARGES ARE PENDING TO ACCEPT SURRENDER OF THE LICENSE OR CERTIFICATE.

**17-509.**

SUBJECT TO THE HEARING PROVISIONS OF § 17-511 OF THIS SUBTITLE, THE BOARD, ON THE AFFIRMATIVE VOTE OF A MAJORITY OF ITS MEMBERS THEN

SERVING, MAY DENY A LICENSE OR CERTIFICATE TO ANY APPLICANT, PLACE ANY LICENSEE OR CERTIFICATE HOLDER ON PROBATION, REPRIMAND ANY LICENSEE OR CERTIFICATE HOLDER, OR SUSPEND OR REVOKE A LICENSE OF ANY LICENSEE OR A CERTIFICATE OF ANY CERTIFICATE HOLDER IF THE APPLICANT, LICENSEE, OR CERTIFICATE HOLDER:

(1) FRAUDULENTLY OR DECEPTIVELY OBTAINS OR ATTEMPTS TO OBTAIN A LICENSE OR CERTIFICATE FOR THE APPLICANT, LICENSEE, OR CERTIFICATE HOLDER OR FOR ANOTHER;

(2) HABITUALLY IS INTOXICATED;

(3) PROVIDES PROFESSIONAL SERVICES:

(i) WHILE UNDER THE INFLUENCE OF ALCOHOL; OR

(ii) WHILE USING ANY NARCOTIC OR CONTROLLED DANGEROUS SUBSTANCE, AS DEFINED IN § 5-101 OF THE CRIMINAL LAW ARTICLE, OR OTHER DRUG THAT IS IN EXCESS OF THERAPEUTIC AMOUNTS OR WITHOUT VALID MEDICAL INDICATION;

(4) AIDS OR ABETS AN UNAUTHORIZED INDIVIDUAL IN PRACTICING CLINICAL OR NONCLINICAL COUNSELING OR THERAPY OR REPRESENTING TO BE AN ALCOHOL AND DRUG COUNSELOR, MARRIAGE AND FAMILY THERAPIST, OR PROFESSIONAL COUNSELOR;

(5) PROMOTES THE SALE OF DRUGS, DEVICES, APPLIANCES, OR GOODS TO A PATIENT SO AS TO EXPLOIT THE PATIENT FOR FINANCIAL GAIN;

(6) WILLFULLY MAKES OR FILES A FALSE REPORT OR RECORD IN THE PRACTICE OF COUNSELING OR THERAPY;

(7) MAKES A WILLFUL MISREPRESENTATION WHILE COUNSELING OR PROVIDING THERAPY;

(8) VIOLATES THE CODE OF ETHICS ADOPTED BY THE BOARD;

(9) KNOWINGLY VIOLATES ANY PROVISION OF THIS TITLE;

(10) IS CONVICTED OF OR PLEADS GUILTY OR NOLO CONTENDERE TO A FELONY OR A CRIME INVOLVING MORAL TURPITUDE, WHETHER OR NOT ANY APPEAL OR OTHER PROCEEDING IS PENDING TO HAVE THE CONVICTION OR PLEA SET ASIDE;

(11) IS PROFESSIONALLY, PHYSICALLY, OR MENTALLY INCOMPETENT;

(12) SUBMITS A FALSE STATEMENT TO COLLECT A FEE;

(13) VIOLATES ANY RULE OR REGULATION ADOPTED BY THE BOARD;

(14) IS DISCIPLINED BY A LICENSING OR DISCIPLINARY AUTHORITY OF ANY OTHER STATE OR COUNTRY OR CONVICTED OR DISCIPLINED BY A COURT OF ANY STATE OR COUNTRY FOR AN ACT THAT WOULD BE GROUNDS FOR DISCIPLINARY ACTION UNDER THE BOARD'S DISCIPLINARY STATUTES;

(15) REFUSES, WITHHOLDS FROM, DENIES, OR DISCRIMINATES AGAINST AN INDIVIDUAL WITH REGARD TO THE PROVISION OF PROFESSIONAL SERVICES FOR WHICH THE LICENSEE IS LICENSED AND QUALIFIED OR THE CERTIFICATE HOLDER IS CERTIFIED AND QUALIFIED TO RENDER BECAUSE THE INDIVIDUAL IS HIV POSITIVE;

(16) COMMITS AN ACT OF IMMORAL OR UNPROFESSIONAL CONDUCT IN THE PRACTICE OF CLINICAL OR NONCLINICAL COUNSELING OR THERAPY;

(17) KNOWINGLY FAILS TO REPORT SUSPECTED CHILD ABUSE IN VIOLATION OF § 5-704 OF THE FAMILY LAW ARTICLE; OR

(18) FAILS TO COOPERATE WITH A LAWFUL INVESTIGATION CONDUCTED BY THE BOARD.

**17-510.**

(A) IF AFTER A HEARING UNDER § 17-511 OF THIS SUBTITLE THE BOARD FINDS THAT THERE ARE GROUNDS UNDER § 17-509 OF THIS SUBTITLE TO PLACE ANY LICENSEE OR CERTIFICATE HOLDER ON PROBATION, REPRIMAND ANY LICENSEE OR CERTIFICATE HOLDER, OR SUSPEND OR REVOKE A LICENSE OR CERTIFICATE, THE BOARD MAY IMPOSE A PENALTY NOT EXCEEDING \$5,000:

(1) INSTEAD OF PLACING THE LICENSEE OR CERTIFICATE HOLDER ON PROBATION, REPRIMANDING THE LICENSEE OR CERTIFICATE HOLDER, OR SUSPENDING OR REVOKING THE LICENSE OR CERTIFICATE; OR

**(2) IN ADDITION TO PLACING THE LICENSEE OR CERTIFICATE HOLDER ON PROBATION, REPRIMANDING THE LICENSEE OR CERTIFICATE HOLDER, OR SUSPENDING OR REVOKING THE LICENSE OR CERTIFICATE.**

**(B) THE BOARD SHALL ADOPT REGULATIONS TO SET STANDARDS FOR THE IMPOSITION OF PENALTIES UNDER THIS SECTION.**

**(C) THE BOARD SHALL PAY ANY MONEY COLLECTED UNDER THIS SECTION INTO THE GENERAL FUND OF THE STATE.**

**17-511.**

**(A) EXCEPT AS OTHERWISE PROVIDED IN TITLE 10, SUBTITLE 2 OF THE STATE GOVERNMENT ARTICLE, BEFORE THE BOARD TAKES ANY ACTION UNDER § 17-509 OF THIS SUBTITLE, IT SHALL GIVE THE INDIVIDUAL AGAINST WHOM THE ACTION IS CONTEMPLATED AN OPPORTUNITY FOR A HEARING BEFORE THE BOARD.**

**(B) THE BOARD SHALL GIVE NOTICE AND HOLD THE HEARING IN ACCORDANCE WITH TITLE 10, SUBTITLE 2 OF THE STATE GOVERNMENT ARTICLE.**

**(C) THE HEARING NOTICE TO BE GIVEN TO THE INDIVIDUAL SHALL BE SERVED PERSONALLY OR BY REGISTERED MAIL TO THE LAST KNOWN ADDRESS OF THE INDIVIDUAL AT LEAST 30 DAYS BEFORE THE HEARING.**

**(D) THE INDIVIDUAL MAY BE REPRESENTED AT THE HEARING BY COUNSEL.**

**(E) (1) OVER THE SIGNATURE OF AN OFFICER OR THE ADMINISTRATOR OF THE BOARD, THE BOARD MAY ISSUE SUBPOENAS AND ADMINISTER OATHS IN CONNECTION WITH ANY INVESTIGATION UNDER THIS TITLE AND ANY HEARINGS OR PROCEEDINGS BEFORE IT.**

**(2) IF, WITHOUT LAWFUL EXCUSE, A PERSON DISOBEYS A SUBPOENA FROM THE BOARD OR AN ORDER BY THE BOARD TO TAKE AN OATH OR TO TESTIFY OR ANSWER A QUESTION, THEN, ON PETITION OF THE BOARD, A COURT OF COMPETENT JURISDICTION MAY PUNISH THE PERSON AS FOR CONTEMPT OF COURT.**

**(F) IF AFTER DUE NOTICE THE INDIVIDUAL AGAINST WHOM THE ACTION IS CONTEMPLATED FAILS OR REFUSES TO APPEAR, THE BOARD MAY HEAR AND DETERMINE THE MATTER.**

**17-512.**

**(A) EXCEPT AS PROVIDED IN THIS SECTION FOR AN ACTION UNDER § 17-409 OF THIS TITLE, ANY PERSON AGGRIEVED BY A FINAL DECISION OF THE BOARD IN A CONTESTED CASE, AS DEFINED IN § 10-201 OF THE STATE GOVERNMENT ARTICLE, MAY:**

**(1) APPEAL THAT DECISION TO THE BOARD OF REVIEW; AND**

**(2) THEN TAKE ANY FURTHER APPEAL ALLOWED BY TITLE 10, SUBTITLE 2 OF THE STATE GOVERNMENT ARTICLE.**

**(B) ANY PERSON AGGRIEVED BY A FINAL DECISION OF THE BOARD UNDER § 17-509 OF THIS SUBTITLE:**

**(1) MAY NOT APPEAL TO THE BOARD OF REVIEW; BUT**

**(2) MAY TAKE A DIRECT JUDICIAL APPEAL AS PROVIDED IN TITLE 10, SUBTITLE 2 OF THE STATE GOVERNMENT ARTICLE.**

**(C) AN ORDER OF THE BOARD MAY NOT BE STAYED PENDING JUDICIAL REVIEW.**

**(D) THE BOARD MAY APPEAL FROM ANY DECISION THAT REVERSES OR MODIFIES ITS ORDER.**

**17-513.**

**(A) AN ACTION MAY BE MAINTAINED IN THE NAME OF THE STATE OR THE BOARD TO ENJOIN:**

**(1) THE UNAUTHORIZED PRACTICE OF ALCOHOL AND DRUG COUNSELING AND CLINICAL ALCOHOL AND DRUG COUNSELING, MARRIAGE AND FAMILY THERAPY AND CLINICAL MARRIAGE AND FAMILY THERAPY, OR PROFESSIONAL COUNSELING AND CLINICAL PROFESSIONAL COUNSELING; OR**

**(2) CONDUCT THAT IS A GROUND FOR DISCIPLINARY ACTION UNDER § 17-509 OF THIS SUBTITLE.**

**(B) AN ACTION UNDER THIS SECTION MAY BE BROUGHT BY:**

**(1) THE BOARD, IN ITS OWN NAME;**

(2) THE ATTORNEY GENERAL, IN THE NAME OF THE STATE; OR

(3) A STATE'S ATTORNEY, IN THE NAME OF THE STATE.

(C) AN ACTION UNDER THIS SECTION SHALL BE BROUGHT IN THE COUNTY WHERE THE DEFENDANT:

(1) RESIDES; OR

(2) ENGAGES IN THE ACTS SOUGHT TO BE ENJOINED.

(D) PROOF OF ACTUAL DAMAGES OR THAT ANY PERSON WILL SUSTAIN ANY DAMAGES IF AN INJUNCTION IS NOT GRANTED IS NOT REQUIRED FOR AN ACTION UNDER THIS SECTION.

(E) AN ACTION UNDER THIS SECTION IS IN ADDITION TO AND NOT INSTEAD OF CRIMINAL PROSECUTION FOR THE UNAUTHORIZED PRACTICE OF ALCOHOL AND DRUG COUNSELING AND CLINICAL ALCOHOL AND DRUG COUNSELING, MARRIAGE AND FAMILY THERAPY AND CLINICAL MARRIAGE AND FAMILY THERAPY, OR PROFESSIONAL COUNSELING AND CLINICAL PROFESSIONAL COUNSELING, UNDER § 17-301, § 17-601, § 17-602, OR § 17-603 OF THIS TITLE OR DISCIPLINARY ACTION UNDER § 17-509 OF THIS SUBTITLE.

**17-514.**

FOR REASONS THE BOARD CONSIDERS SUFFICIENT, AND ON THE AFFIRMATIVE VOTE OF A MAJORITY OF ITS MEMBERS THEN SERVING, THE BOARD MAY:

(1) REINSTATE A LICENSE OR CERTIFICATE THAT HAS BEEN REVOKED;

(2) REDUCE THE PERIOD OF A SUSPENSION OR PROBATION; OR

(3) WITHDRAW A REPRIMAND.

**17-515.**

(A) IN THIS SECTION, "COUNSELOR AND THERAPIST REHABILITATION COMMITTEE" MEANS A COMMITTEE THAT:

(1) IS DESCRIBED IN SUBSECTION (B) OF THIS SECTION; AND

**(2) PERFORMS ANY OF THE FUNCTIONS LISTED IN SUBSECTION (D) OF THIS SECTION.**

**(B) FOR PURPOSES OF THIS SECTION, A COUNSELOR AND THERAPIST REHABILITATION COMMITTEE IS A COMMITTEE OF THE BOARD OR A COMMITTEE OF ANY ASSOCIATION OR ASSOCIATIONS REPRESENTING ALCOHOL AND DRUG COUNSELORS, MARRIAGE AND FAMILY THERAPISTS, OR PROFESSIONAL COUNSELORS THAT:**

**(1) IS RECOGNIZED BY THE BOARD; AND**

**(2) INCLUDES BUT IS NOT LIMITED TO ALCOHOL AND DRUG COUNSELORS, MARRIAGE AND FAMILY THERAPISTS, AND PROFESSIONAL COUNSELORS.**

**(C) A REHABILITATION COMMITTEE OF THE BOARD OR RECOGNIZED BY THE BOARD MAY FUNCTION:**

**(1) SOLELY FOR THE BOARD; OR**

**(2) JOINTLY WITH A REHABILITATION COMMITTEE REPRESENTING ANOTHER BOARD OR BOARDS.**

**(D) FOR PURPOSES OF THIS SECTION, A COUNSELOR AND THERAPIST REHABILITATION COMMITTEE EVALUATES AND PROVIDES ASSISTANCE TO ANY ALCOHOL AND DRUG COUNSELOR, MARRIAGE AND FAMILY THERAPIST, PROFESSIONAL COUNSELOR, AND ANY OTHER INDIVIDUAL REGULATED BY THE BOARD, IN NEED OF TREATMENT AND REHABILITATION FOR ALCOHOLISM, DRUG ABUSE, CHEMICAL DEPENDENCY, OR OTHER PHYSICAL, EMOTIONAL, OR MENTAL CONDITION.**

**(E) (1) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, THE PROCEEDINGS, RECORDS, AND FILES OF THE COUNSELOR AND THERAPIST REHABILITATION COMMITTEE ARE NOT DISCOVERABLE AND ARE NOT ADMISSIBLE IN EVIDENCE IN ANY CIVIL ACTION ARISING OUT OF THE MATTERS THAT ARE BEING OR HAVE BEEN REVIEWED AND EVALUATED BY THE COUNSELOR AND THERAPIST REHABILITATION COMMITTEE.**

**(2) PARAGRAPH (1) OF THIS SUBSECTION DOES NOT APPLY TO ANY RECORD OR DOCUMENT THAT IS CONSIDERED BY THE COUNSELOR AND THERAPIST REHABILITATION COMMITTEE AND THAT OTHERWISE WOULD BE SUBJECT TO DISCOVERY OR INTRODUCTION INTO EVIDENCE IN A CIVIL ACTION.**

**(3) FOR PURPOSES OF THIS SUBSECTION, CIVIL ACTION DOES NOT INCLUDE A PROCEEDING BEFORE THE BOARD OR JUDICIAL REVIEW OF A PROCEEDING BEFORE THE BOARD.**

**(F) A PERSON WHO ACTS IN GOOD FAITH AND WITHIN THE SCOPE OF JURISDICTION OF A COUNSELOR AND THERAPIST REHABILITATION COMMITTEE IS NOT CIVILLY LIABLE FOR ANY ACTION AS A MEMBER OF THE COUNSELOR AND THERAPIST REHABILITATION COMMITTEE OR FOR GIVING INFORMATION TO, PARTICIPATING IN, OR CONTRIBUTING TO THE FUNCTION OF THE COUNSELOR AND THERAPIST REHABILITATION COMMITTEE.**

**SUBTITLE 6. PROHIBITED ACTS; PENALTIES.**

**17-601.**

**UNLESS AN INDIVIDUAL IS LICENSED TO PRACTICE CLINICAL ALCOHOL AND DRUG COUNSELING, CLINICAL MARRIAGE AND FAMILY THERAPY, OR CLINICAL PROFESSIONAL COUNSELING, AN INDIVIDUAL MAY NOT:**

**(1) REPRESENT TO THE PUBLIC BY TITLE, BY DESCRIPTION OF SERVICES, METHODS, OR PROCEDURES, OR OTHERWISE, THAT THE INDIVIDUAL IS LICENSED BY THE BOARD TO PROVIDE CLINICAL ALCOHOL AND DRUG COUNSELING SERVICES, CLINICAL MARRIAGE AND FAMILY THERAPY SERVICES, OR CLINICAL PROFESSIONAL COUNSELING SERVICES IN THE STATE;**

**(2) USE ANY TITLE, ABBREVIATION, SIGN, CARD, OR OTHER REPRESENTATION THAT THE INDIVIDUAL IS A LICENSED CLINICAL ALCOHOL AND DRUG COUNSELOR, LICENSED CLINICAL MARRIAGE AND FAMILY THERAPIST, OR LICENSED CLINICAL PROFESSIONAL COUNSELOR; OR**

**(3) USE THE TITLE "L.C.A.D.C.", "L.C.M.F.T.", OR "L.C.P.C." OR THE WORDS "LICENSED CLINICAL ALCOHOL AND DRUG COUNSELOR", "LICENSED CLINICAL MARRIAGE AND FAMILY THERAPIST", OR "LICENSED CLINICAL PROFESSIONAL COUNSELOR" WITH THE INTENT TO REPRESENT THAT THE INDIVIDUAL PRACTICES CLINICAL ALCOHOL AND DRUG COUNSELING, CLINICAL MARRIAGE AND FAMILY THERAPY, OR CLINICAL PROFESSIONAL COUNSELING.**

**17-602.**

**EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE, UNLESS AN INDIVIDUAL HAS BEEN APPROVED BY THE BOARD TO PRACTICE AS A LICENSED GRADUATE**

ALCOHOL AND DRUG COUNSELOR, A LICENSED GRADUATE PROFESSIONAL COUNSELOR, OR A LICENSED GRADUATE MARRIAGE AND FAMILY THERAPIST THE INDIVIDUAL MAY NOT:

(1) USE THE TITLE "LICENSED GRADUATE ALCOHOL AND DRUG COUNSELOR", "LICENSED GRADUATE PROFESSIONAL COUNSELOR", OR "LICENSED GRADUATE MARRIAGE AND FAMILY THERAPIST";

(2) USE THE INITIALS "L.G.A.D.C.", "L.G.P.C.", OR "L.G.M.F.T." AFTER THE NAME OF THE INDIVIDUAL;

(3) REPRESENT TO THE PUBLIC THAT THE INDIVIDUAL IS APPROVED BY THE BOARD TO PRACTICE ALCOHOL AND DRUG COUNSELING, PROFESSIONAL COUNSELING, OR MARRIAGE AND FAMILY THERAPY; OR

(4) USE ANY TITLE, ABBREVIATION, SIGN, CARD, OR OTHER REPRESENTATION THAT THE INDIVIDUAL IS A LICENSED GRADUATE ALCOHOL AND DRUG COUNSELOR, A LICENSED GRADUATE PROFESSIONAL COUNSELOR, OR A LICENSED GRADUATE MARRIAGE AND FAMILY THERAPIST.

### 17-603.

EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE, UNLESS AN INDIVIDUAL IS CERTIFIED TO PRACTICE ALCOHOL AND DRUG COUNSELING, MARRIAGE AND FAMILY THERAPY, OR PROFESSIONAL COUNSELING, THE INDIVIDUAL MAY NOT:

(1) REPRESENT TO THE PUBLIC BY TITLE, BY DESCRIPTION OF SERVICES, METHODS, OR PROCEDURES, OR OTHERWISE, THAT THE INDIVIDUAL IS CERTIFIED BY THE BOARD TO PROVIDE COUNSELING OR THERAPY SERVICES IN THIS STATE;

(2) USE ANY TITLE, ABBREVIATION, SIGN, CARD, OR OTHER REPRESENTATION THAT THE INDIVIDUAL IS A CERTIFIED PROFESSIONAL COUNSELOR, CERTIFIED PROFESSIONAL COUNSELOR-MARRIAGE AND FAMILY THERAPIST, CERTIFIED PROFESSIONAL COUNSELOR-ALCOHOL AND DRUG, CERTIFIED ASSOCIATE COUNSELOR-ALCOHOL AND DRUG, OR CERTIFIED SUPERVISED COUNSELOR-ALCOHOL AND DRUG; OR

(3) USE THE TITLE "C.P.C.", "C.P.C.-M.F.T.", "C.P.C.-A.D.", "C.A.C.-A.D.", OR "C.S.C.-A.D.", THE WORDS "CERTIFIED PROFESSIONAL COUNSELOR" OR "CERTIFIED PROFESSIONAL COUNSELOR-MARRIAGE AND FAMILY THERAPIST", OR THE WORDS "CERTIFIED COUNSELOR" OR "CERTIFIED MARRIAGE AND FAMILY THERAPIST" WITH THE INTENT TO REPRESENT THAT

THE INDIVIDUAL PRACTICES PROFESSIONAL COUNSELING OR MARRIAGE AND FAMILY THERAPY, OR THE WORDS "CERTIFIED PROFESSIONAL COUNSELOR-ALCOHOL AND DRUG", "CERTIFIED ASSOCIATE COUNSELOR-ALCOHOL AND DRUG", "CERTIFIED SUPERVISED COUNSELOR-ALCOHOL AND DRUG" WITH THE INTENT TO REPRESENT THAT THE INDIVIDUAL PRACTICES ALCOHOL AND DRUG COUNSELING.

**17-604.**

(A) ANY PERSON WHO VIOLATES ANY PROVISION OF THIS SUBTITLE OR § 17-301 OF THIS TITLE IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO A FINE NOT EXCEEDING \$2,000 OR IMPRISONMENT NOT EXCEEDING 1 YEAR OR BOTH.

(B) EACH VIOLATION OF THIS SUBTITLE IS A SEPARATE OFFENSE.

**SUBTITLE 7. SHORT TITLE; TERMINATION OF TITLE.**

**17-701.**

THIS TITLE MAY BE CITED AS THE "MARYLAND PROFESSIONAL COUNSELORS AND THERAPISTS ACT".

**17-702.**

SUBJECT TO THE EVALUATION AND REESTABLISHMENT PROVISIONS OF THE MARYLAND PROGRAM EVALUATION ACT, THIS TITLE AND ALL RULES OR REGULATIONS ADOPTED UNDER THIS TITLE SHALL TERMINATE AND BE OF NO EFFECT AFTER JULY 1, 2019.

**Article - State Government**

**8-403.**

(a) On or before December 15 of the 2nd year before the evaluation date of a governmental activity or unit, the Legislative Policy Committee, based on a preliminary evaluation, may waive as unnecessary the evaluation required under this section.

(b) Except as otherwise provided in subsection (a) of this section, on or before the evaluation date for the following governmental activities or units, an evaluation shall be made of the following governmental activities or units and the statutes and regulations that relate to the governmental activities or units:

(16) Counselors and Therapists, State Board of Professional (§ 17-201 of the Health Occupations Article: [July 1, 2008] **JULY 1, 2018**);

SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

**Article - Health Occupations**

**17-405.1.**

**(A) (1) THE BOARD SHALL WAIVE THE REQUIREMENTS FOR CERTIFICATION AS A CERTIFIED PROFESSIONAL COUNSELOR-ALCOHOL AND DRUG UNDER § 17-402 OF THIS SUBTITLE FOR ANY INDIVIDUAL WHO:**

**(i) HAD FILED A LETTER OF INTENT WITH THE BOARD BY OCTOBER 1, 2001;**

**(ii) FILES AN APPLICATION FOR CERTIFICATION AS A CERTIFIED PROFESSIONAL COUNSELOR-ALCOHOL AND DRUG ON OR BEFORE MAY 1, 2009;**

**(iii) HOLDS A MASTER'S OR DOCTORAL DEGREE IN A HEALTH AND HUMAN SERVICES COUNSELING FIELD OR HAS COMPLETED A PROGRAM THAT THE BOARD DETERMINES TO BE SUBSTANTIALLY EQUIVALENT IN SUBJECT MATTER AND EXTENT OF TRAINING AS A MASTER'S OR DOCTORAL DEGREE IN A HEALTH AND HUMAN SERVICES COUNSELING FIELD;**

**(iv) AS OF JULY 1, 2001, WAS CERTIFIED AS A CERTIFIED CHEMICAL DEPENDENCY COUNSELOR, ITS EQUIVALENT, OR HIGHER BY THE MARYLAND ADDICTION COUNSELOR CERTIFICATION BOARD, ANOTHER STATE, THE CERTIFICATION COMMISSION OF THE NATIONAL ASSOCIATION OF ALCOHOLISM AND DRUG ABUSE COUNSELORS, OR THE INTERNATIONAL CERTIFICATION RECIPROCITY CONSORTIUM, OR WAS EMPLOYED IN THE CAPACITY OF A PROGRAM SPECIALIST I, II, III, OR ITS EQUIVALENT, OR HIGHER, IN AN AGENCY OR FACILITY ACCREDITED BY THE JOINT COMMISSION ON THE ACCREDITATION OF HEALTH CARE ORGANIZATIONS OR CERTIFIED UNDER TITLE 8, SUBTITLE 4 OF THE HEALTH - GENERAL ARTICLE;**

**(v) HAS COMPLETED NOT LESS THAN 3 YEARS WITH A MINIMUM OF 3,000 HOURS OF SUPERVISED EXPERIENCE IN ALCOHOL AND DRUG ABUSE COUNSELING APPROVED BY THE BOARD, 2 YEARS OF WHICH SHALL HAVE BEEN COMPLETED AFTER THE AWARD OF THE MASTER'S OR DOCTORAL DEGREE; AND**

**(VI) HAD, BY OCTOBER 1, 2001, SUCCESSFULLY PASSED AN EXAMINATION APPROVED BY THE BOARD.**

**(2) THE BOARD SHALL WAIVE THE REQUIREMENTS FOR CERTIFICATION AS A CERTIFIED ASSOCIATE COUNSELOR-ALCOHOL AND DRUG FOR ANY INDIVIDUAL WHO:**

**(I) HAD FILED A LETTER OF INTENT WITH THE BOARD BY OCTOBER 1, 2001;**

**(II) FILES AN APPLICATION FOR CERTIFICATION AS A CERTIFIED ASSOCIATE COUNSELOR-ALCOHOL AND DRUG ON OR BEFORE MAY 1, 2009;**

**(III) HOLDS A BACHELOR'S DEGREE IN A HEALTH AND HUMAN SERVICES COUNSELING FIELD OR HAS COMPLETED A PROGRAM THAT THE BOARD DETERMINES TO BE SUBSTANTIALLY EQUIVALENT IN SUBJECT MATTER AND EXTENT OF TRAINING TO A BACHELOR'S DEGREE IN A HEALTH AND HUMAN SERVICES COUNSELING FIELD;**

**(IV) AS OF JULY 1, 2001, WAS CERTIFIED AS A CERTIFIED CHEMICAL DEPENDENCY COUNSELOR, ITS EQUIVALENT, OR HIGHER, BY THE MARYLAND ADDICTION COUNSELOR CERTIFICATION BOARD, ANOTHER STATE, THE CERTIFICATION COMMISSION OF THE NATIONAL ASSOCIATION OF ALCOHOLISM AND DRUG ABUSE COUNSELORS, OR THE INTERNATIONAL CERTIFICATION RECIPROCITY CONSORTIUM, OR WAS EMPLOYED IN THE CAPACITY OF A PROGRAM SPECIALIST I, II, III, OR ITS EQUIVALENT, OR HIGHER, IN AN AGENCY OR FACILITY ACCREDITED BY THE JOINT COMMISSION ON THE ACCREDITATION OF HEALTH CARE ORGANIZATIONS OR CERTIFIED UNDER TITLE 8, SUBTITLE 4 OF THE HEALTH - GENERAL ARTICLE; AND**

**(V) HAS COMPLETED NOT LESS THAN 3 YEARS WITH A MINIMUM OF 3,000 HOURS OF SUPERVISED EXPERIENCE IN ALCOHOL AND DRUG ABUSE COUNSELING APPROVED BY THE BOARD, 2 YEARS OF WHICH SHALL HAVE BEEN COMPLETED AFTER THE AWARD OF THE BACHELOR'S DEGREE OR A PROGRAM THAT THE BOARD DETERMINES TO BE SUBSTANTIALLY EQUIVALENT IN SUBJECT MATTER AND EXTENT OF TRAINING.**

**(3) THE BOARD SHALL WAIVE THE REQUIREMENTS FOR CERTIFICATION AS A CERTIFIED SUPERVISED COUNSELOR-ALCOHOL AND DRUG FOR ANY INDIVIDUAL WHO:**

(I) HAD FILED A LETTER OF INTENT WITH THE BOARD BY OCTOBER 1, 2001;

(II) FILES AN APPLICATION FOR CERTIFICATION AS A CERTIFIED SUPERVISED COUNSELOR-ALCOHOL AND DRUG ON OR BEFORE MAY 1, 2009;

(III) HOLDS AN ASSOCIATE'S DEGREE IN HEALTH AND HUMAN SERVICES COUNSELING OR HAS COMPLETED A PROGRAM THAT THE BOARD DETERMINES TO BE SUBSTANTIALLY EQUIVALENT IN SUBJECT MATTER AND EXTENT OF TRAINING TO AN ASSOCIATE'S DEGREE IN HEALTH AND HUMAN SERVICES COUNSELING; OR

(IV) AS OF JULY 1, 2001, WAS CERTIFIED AS A CERTIFIED ALCOHOLISM COUNSELOR, CERTIFIED DRUG COUNSELOR, OR HIGHER, BY THE MARYLAND ADDICTION COUNSELOR CERTIFICATION BOARD, ANOTHER STATE, THE CERTIFICATION COMMISSION OF THE NATIONAL ASSOCIATION OF ALCOHOLISM AND DRUG ABUSE COUNSELORS, OR THE INTERNATIONAL CERTIFICATION RECIPROcity CONSORTIUM, OR WAS EMPLOYED IN THE CAPACITY OF AN ADDICTION COUNSELOR II OR III, OR ITS EQUIVALENT, OR HIGHER, IN AN AGENCY OR FACILITY ACCREDITED BY THE JOINT COMMISSION ON THE ACCREDITATION OF HEALTH CARE ORGANIZATIONS OR CERTIFIED UNDER TITLE 8, SUBTITLE 4 OF THE HEALTH - GENERAL ARTICLE.

SECTION 4. AND BE IT FURTHER ENACTED, That:

~~(a) The term of the professional counselor member of the Board of Professional Counselors and Therapists whose term is scheduled to expire on June 30, 2009, shall terminate at the end of June 30, 2009, at which time no successors shall be appointed.~~

~~(b)~~ (a) The Governor shall appoint two alcohol and drug counselor members and ~~one~~ two marriage and family therapist ~~member~~ members in accordance with § 17-202 of the Health Occupations Article, as enacted by Section 5 of this Act. These members shall serve a term of 4 years which shall begin on July 1, 2009, and the members shall serve until a successor is appointed and qualifies.

~~(c)~~ (b) Notwithstanding the provisions of § 17-202 of the Health Occupations Article, as enacted by Section 2 of this Act, the term of the certified associate counselor-alcohol and drug or certified supervised counselor-alcohol and drug advisor to the Board appointed by the Governor on or before October 1, 2008, shall terminate at the end of June 30, 2009.

SECTION 5. AND BE IT FURTHER ENACTED, That:

(a) On or before October 1, 2010, the State Board of Professional Counselors and Therapists shall submit, in accordance with § 2-1246 of the State Government Article, to the Senate Education, Health, and Environmental Affairs Committee and the House Health and Government Operations Committee an interim report on Board's actions concerning the recommendations contained in the sunset review report of the State Board of Professional Counselors and Therapists published by the Department of Legislative Services in October 2007.

(b) The interim report shall include an explanation of:

(1) the results of the Board's review of the certification structure for alcohol and drug counselors to determine whether the current three-tiered structure is of continued benefit to the profession and the public, including any proposed alternatives to the current structure;

(2) the results of the Board's evaluation of the current revenue structure to determine levels necessary to reach a reasonable fund balance by the end of fiscal year 2011; and

(3) the implementation of any other recommendations contained in the report referenced in subsection (a) of this section.

SECTION 6. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2008. Section 3 of this Act shall remain effective for a period of 1 year and, at the end of September 30, 2009, with no further action required by the General Assembly, Section 3 of this Act shall be abrogated and of no further force and effect.

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May 22, 2008

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate  
State House  
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 539 – *Cecil County – Public Facilities Bonds*.

This bill authorizes and empowers the County Commissioners of Cecil County to borrow not more than \$5,000,000 in order to finance the cost of the construction and improvement of specified public facilities in Cecil County and to effect that borrowing by the issuance and sale at public or private sale of its general obligation bonds.

House Bill 256, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 539.

Sincerely,

Governor

### **Senate Bill 539**

AN ACT concerning

#### **Cecil County – Public Facilities Bonds**

FOR the purpose of authorizing and empowering the County Commissioners of Cecil County, from time to time, to borrow not more than \$5,000,000 in order to finance the cost of the construction and improvement of certain public facilities in Cecil County and to effect that borrowing by the issuance and sale at public or private sale of its general obligation bonds in like amount; empowering the County to fix and determine, by resolution, the form, tenor, interest rate or rates or method of determining the same, terms, conditions, maturities, and all other details incident to the issuance and sale of the bonds; empowering the County to issue refunding bonds for the purchase or redemption of bonds in advance of maturity; empowering and directing the County to levy, impose, and collect, annually, ad valorem taxes in rate and amount sufficient to provide funds for the payment of the maturing principal of and interest on the bonds; exempting the bonds and refunding bonds, and the interest thereon and any income derived therefrom, from all State, county, municipal, and other taxation in the State of Maryland; and relating generally to the issuance and sale of the bonds by Cecil County.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That, as used in this Act, the term “County” means that body politic and corporate of the State of Maryland known as the County Commissioners of Cecil County; and the term “construction and improvement of public facilities” means the alteration, construction, reconstruction, enlargement, expansion, extension,

improvement, replacement, rehabilitation, renovation, upgrading and repair, and related architectural, financial, legal, planning, designing, or engineering services, for public capital projects in Cecil County, including any finance charges or interest prior to or during such financing and any other costs or expenditures incurred by the County in connection with the projects.

SECTION 2. AND BE IT FURTHER ENACTED, That the County is hereby authorized to finance any part or all of the costs of the public facilities described in Section 1 of this Act, and to borrow money and incur indebtedness for that purpose, at one time or from time to time, in an amount not exceeding, in the aggregate, \$5,000,000 and to evidence its borrowing by the issuance and sale upon its full faith and credit of general obligation bonds in like amount, which may be issued at one time or from time to time, in one or more groups or series, as the County may determine.

SECTION 3. AND BE IT FURTHER ENACTED, That the bonds shall be issued pursuant to a resolution of the County which shall describe generally the public facilities for which the proceeds of the bond sale are intended and the amount needed for those purposes. The County shall have and is hereby granted full and complete authority and discretion in the resolution to fix and determine with respect to the bonds of any issue: the designation, date of issue, denomination or denominations, form or forms and tenor of the bonds which, without limitation, may be issued in registered form within the meaning of Section 30 of Article 31 of the Annotated Code of Maryland, as amended; the rate or rates of interest payable thereon, or the method of determining the same, which may include a variable rate; the date or dates and amount or amounts of maturity, which need not be in equal par amounts or in consecutive annual installments, provided only that no bond of any issue shall mature later than 30 years from the date of its issue; the manner of selling the bonds, which may be at either public or private sale, for such price or prices as may be determined to be in the best interests of the County; the manner of executing the bonds, which may be by facsimile; the terms and conditions, if any, under which bonds may be tendered for payment or purchase prior to their stated maturity; the terms or conditions, if any, under which bonds may or shall be redeemed prior to their stated maturity; the place or places of payment of the principal of and the interest on the bonds, which may be at any bank or trust company within or without the State of Maryland; and generally all matters incident to the terms, conditions, issuance, sale, and delivery thereof.

The County may enter into agreements with agents, banks, fiduciaries, insurers, or others for the purpose of enhancing the marketability of and security for the bonds and for the purpose of securing any tender option that may be granted to holders of the bonds.

In case any officer whose signature appears on any bond ceases to be such officer before delivery, the signature shall nevertheless be valid and sufficient for all purposes as if the officer had remained in office until delivery. The bonds and their

issue and sale shall be exempt from the provisions of Sections 9, 10, and 11 of Article 31 of the Annotated Code of Maryland, as amended.

If the County determines in the resolution to offer any of the bonds by solicitation of competitive bids at public sale, the resolution shall fix the terms and conditions of the public sale and shall adopt a form of notice of sale, which shall outline the terms and conditions, and a form of advertisement, which shall be published in one or more daily or weekly newspapers having a general circulation in the County and which may also be published in one or more journals having a circulation primarily among banks and investment bankers. At least one publication of the advertisement shall be made not less than 10 days before the sale of bonds.

Upon delivery of any bonds to the purchaser or purchasers, payment shall be made to the Treasurer of Cecil County or such other official of the County as may be designated to receive payment in a resolution passed by the County Commissioners of Cecil County before delivery.

SECTION 4. AND BE IT FURTHER ENACTED, That the net proceeds of the sale of bonds shall be used and applied exclusively and solely for the public facilities for which the bonds are sold.

If the net proceeds of the sale of any issue of bonds exceeds the amount needed to finance the public facilities described in the resolution, the excess funds shall be applied to the payment of the next principal maturity of the bonds or to the redemption of any part of the bonds which have been made redeemable or to the purchase and cancellation of bonds, unless the County adopts a resolution allocating the excess funds to the construction, improvement, or development of other public facilities.

SECTION 5. AND BE IT FURTHER ENACTED, That the bonds hereby authorized shall constitute, and they shall so recite, an irrevocable pledge of the full faith and credit and unlimited taxing power of the County to the payment of the maturing principal of and interest on the bonds as and when they become payable. In each and every fiscal year that any of the bonds are outstanding, the County shall levy or cause to be levied ad valorem taxes upon all the assessable property within the corporate limits of the County in rate and amount sufficient to provide for or assume the payment, when due, of the principal of and interest on all the bonds maturing in each such fiscal year and, if the proceeds from the taxes so levied in any fiscal year prove inadequate for such payment, additional taxes shall be levied in the succeeding fiscal year to make up any deficiency. The County may apply to the payment of the principal of and interest on any bonds issued under this Act any funds received by it from the State of Maryland, the United States of America, any agency or instrumentality of either, or from any other source. If such funds are granted for the purpose of assisting the County in financing the construction, improvement, development, or renovation of the public facilities defined in this Act and, to the extent

of any such funds received or receivable in any fiscal year, taxes that might otherwise be required to be levied under this Act may be reduced or need not be levied.

SECTION 6. AND BE IT FURTHER ENACTED, That the County is hereby further authorized and empowered, at any time and from time to time, to issue its bonds in the manner hereinabove described for the purpose of refunding, upon purchase or redemption, any bonds issued under this Act. The validity of any refunding bonds shall in no way be dependent upon or related to the validity or invalidity of the obligations being refunded. The powers granted under this Act with respect to the issuance of bonds shall be applicable to the issuance of refunding bonds. Such refunding bonds may be issued by the County for the purpose of providing it with funds to purchase in the open market any of its outstanding bonds issued under this Act, prior to their maturity, or for the purpose of providing it with funds for the redemption prior to maturity of any outstanding bonds which are, by their terms, redeemable. The proceeds of the sale of any refunding bonds shall be segregated and set apart by the County as a separate trust fund to be used solely for the purpose of paying the purchase or redemption prices of the bonds to be refunded.

SECTION 7. AND BE IT FURTHER ENACTED, That the County may, prior to the preparation of definitive bonds, issue interim certificates or temporary bonds, exchangeable for definitive bonds when such bonds have been executed and are available for delivery. The County may, by appropriate resolution, provide for the replacement of any bonds issued under this Act which may have become mutilated or lost or destroyed upon whatever conditions and after receiving whatever indemnity as the County may require.

SECTION 8. AND BE IT FURTHER ENACTED, That any and all obligations issued under this Act, their transfer, the interest payable on them, and any income derived from them from time to time (including any profit made in their sale) shall be and are hereby declared to be at all times exempt from State, county, municipal, or other taxation of every kind and nature whatsoever within the State of Maryland.

SECTION 9. AND BE IT FURTHER ENACTED, That the authority to borrow money and issue bonds conferred on the County by this Act shall be deemed to provide additional, alternative, and supplemental authority for borrowing money and shall be regarded as supplemental and additional to powers conferred upon the County by other laws and may not be regarded as in derogation of any power now existing; and all previously enacted laws authorizing the County to borrow money are hereby continued to the extent that the power contained in them is continuing or has not been exercised, unless any law is expressly repealed by this Act, and the validity of any bonds issued under previously enacted laws is hereby ratified, confirmed, and approved. This Act, being necessary for the welfare of the inhabitants of the County, shall be liberally construed to effect its purposes. All Acts and parts of Acts inconsistent with the provisions of this Act are hereby repealed to the extent of any inconsistency.

SECTION 10. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2008.

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May 22, 2008

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate  
State House  
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 564 – *State Retirement and Pension System – Reemployment of Retirees*.

This bill exempts retired judges from a specified offset of a retirement allowance who are members of the Employees' Retirement System or the Employees' Pension System. This bill also requires local school superintendents to make reimbursements for failing to file certification of reemployed retirees with the State Retirement and Pension System and the State Department of Education by a specified date.

House Bill 720, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 564.

Sincerely,

Governor

**Senate Bill 564**

AN ACT concerning

**State Retirement and Pension System – Reemployment of Retirees**

FOR the purpose of exempting from a certain offset of a retirement allowance retired judges who are members of the Employees' Retirement System or the Employees' Pension System; requiring certain local school superintendents to make certain reimbursements under certain circumstances by a certain date; providing that certain members of the Judges' Retirement System may earn service credit under certain circumstances; providing for certain individuals who are retirees of the Employees' Retirement System or Employees' Pension System to elect to suspend temporarily their service retirement allowances under certain circumstances; requiring the Board of Trustees to suspend temporarily certain service retirement allowances under certain circumstances as of a certain date; exempting certain individuals who are retirees of the Employees' Retirement System or Employees' Pension System from a certain earnings offset under certain circumstances; providing for the resumption of a service retirement allowance with certain adjustments to the allowance after receipt by the Board of Trustees for the State Retirement and Pension System of certain documentation; providing for certain survivorship benefits for surviving spouses of certain individuals who are retirees of the Employees' Retirement System or Employees' Pension System; requiring the Joint Committee on Pensions to submit certain information to the Senate Budget and Taxation Committee and the House Appropriations Committee by a certain date; requiring certain State agencies to submit certain data to the Joint Committee on Pensions; providing for the termination of certain provisions of this Act; and generally relating to reemployment of retirees of the State Retirement and Pension System.

BY repealing and reenacting, without amendments,

Article – State Personnel and Pensions

Section 22-406(b) and (c)(2) and (3) and 23-407(b) and (c)(2) and (3)

Annotated Code of Maryland

(2004 Replacement Volume and 2007 Supplement)

BY repealing and reenacting, with amendments,

Article – State Personnel and Pensions

Section ~~22-406(c)(1) and (9) and 23-407(c)(1) and (9)~~ 22-406(c)(1), (4)(vii) and (viii), and (9) and 23-407(c)(1), (4)(v) and (vi), and (9)

Annotated Code of Maryland

(2004 Replacement Volume and 2007 Supplement)

BY adding to

Article – State Personnel and Pensions

Section ~~22-407 and 23-408~~ 22-406(c)(4)(ix), 22-407, 23-407(c)(4)(vii), and 23-408

Annotated Code of Maryland

(2004 Replacement Volume and 2007 Supplement)

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

**Article – State Personnel and Pensions**

22–406.

(b) Except as provided in subsection (m) of this section, an individual who is receiving a service retirement allowance or vested allowance may accept employment with a participating employer on a permanent, temporary, or contractual basis, if:

(1) the individual immediately notifies the Board of Trustees of the individual's intention to accept this employment; and

(2) the individual specifies the compensation to be received.

(c) (1) **[The] EXCEPT AS PROVIDED IN § 22–407 OF THIS SUBTITLE, THE** Board of Trustees shall reduce the allowance of an individual who accepts employment as provided under subsection (b) of this section if:

(i) the individual's current employer is a participating employer other than the State and is the same participating employer that employed the individual at the time of the individual's last separation from employment with a participating employer before the individual commenced receiving a service retirement allowance or vested allowance;

(ii) the individual's current employer is any unit of State government and the individual's employer at the time of the individual's last separation from employment with the State before the individual commenced receiving a service retirement allowance or vested allowance was also a unit of State government; or

(iii) the individual becomes reemployed within 12 months of receiving an early service retirement allowance under § 22–402 of this subtitle.

(2) The reduction required under paragraph (1) of this subsection shall equal:

(i) the amount by which the sum of the individual's initial annual basic allowance and the individual's annual compensation exceeds the average final compensation used to compute the basic allowance; or

(ii) for a retiree who retired under the Workforce Reduction Act (Chapter 353 of the Acts of 1996), the amount by which the sum of the retiree's annual

compensation and the retiree's annual basic allowance at the time of retirement, including the incentive provided by the Workforce Reduction Act, exceeds the average final compensation used to compute the basic allowance.

(3) A reduction of an early service retirement allowance under paragraph (1)(iii) of this subsection shall be applied only until the individual has received an allowance for 12 months.

(4) Except for an individual whose allowance is subject to a reduction as provided under paragraphs (1)(iii) and (3) of this subsection, the reduction of an allowance under this subsection does not apply to:

(vii) a former employee of the Domestic Relations Division of Anne Arundel County Circuit Court who transfers into the State Employees' Personnel System under § 2-510 of the Courts Article; [or]

(viii) a retiree of the Employees' Retirement System who is reemployed on a contractual basis for not more than 4 years by the Department of Health and Mental Hygiene as a health care practitioner, as defined in § 1-301 of the Health Occupations Article, in:

1. a State residential center as defined in § 7-101 of the Health – General Article;

2. a chronic disease center subject to Title 19, Subtitle 5 of the Health – General Article;

3. a State facility as defined in § 10-101 of the Health – General Article; or

4. a local health department subject to Title 3, Subtitle 2 of the Health – General Article; OR

**(IX) A RETIREE OF THE EMPLOYEES' RETIREMENT SYSTEM AND THE JUDGES' RETIREMENT SYSTEM WHO IS TEMPORARILY ASSIGNED TO SIT IN A COURT OF THIS STATE UNDER THE AUTHORITY OF ARTICLE IV, § 3A OF THE MARYLAND CONSTITUTION.**

(9) (i) The superintendent of the local school system rehiring an individual under paragraph (4)(v) or (vi) of this subsection shall:

1. approve the rehiring of that individual; and
2. determine the school where the individual is to be reemployed.

(ii) Within 30 days after rehiring an individual, the superintendent of a local school system shall complete and file with the Board of Trustees and the State Department of Education a form provided by the Board of Trustees that certifies that the individual rehired by the local school system under paragraph (4)(v) or (vi) of this subsection:

1. satisfied the criteria provided in paragraph (4)(v) or (vi) of this subsection;
2. was reemployed at a school described under paragraph (5)(i) or (6) of this subsection; and
3. if rehired under paragraph (4)(v) of this subsection, was:
  - A. teaching in an area specified in paragraph (5)(ii) of this subsection; or
  - B. teaching in any class or subject or providing educational services as provided under paragraph (8) of this subsection.

(iii) 1. On or before April 1 of each year, the Board of Trustees and the State Department of Education shall jointly review any forms filed by a superintendent of a local school system under subparagraph (ii) of this paragraph during the previous calendar year.

2. If the Board of Trustees and the State Department of Education agree that a superintendent of a local school system has rehired an individual that does not satisfy the criteria provided in paragraph (4)(v) or (vi) and (5), (6), or (8) of this subsection:

A. on or before July 1 of the year of the finding, the Board of Trustees shall notify the superintendent of the local school system of this individual; and

B. the local school system shall reimburse the Board of Trustees the amount equal to the reduction to the individual's retirement allowance that would have been made in paragraph (2) of this subsection.

**(iv) IF A SUPERINTENDENT OF A LOCAL SCHOOL SYSTEM REHIRS AN INDIVIDUAL THAT SATISFIES THE CRITERIA PROVIDED IN PARAGRAPHS (4)(V) OR (VI) AND (5), (6), OR (8) OF THIS SUBSECTION AND THE BOARD OF TRUSTEES AND THE STATE DEPARTMENT OF EDUCATION DO NOT**

RECEIVE CERTIFICATION FROM THE SUPERINTENDENT IN THE TIME REQUIRED UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH:

1. ON OR BEFORE JULY 1 OF THE YEAR OF THE FINDING, THE BOARD OF TRUSTEES SHALL NOTIFY THE SUPERINTENDENT OF THE LOCAL SCHOOL SYSTEM OF THIS INDIVIDUAL; AND

2. THE LOCAL SCHOOL SYSTEM SHALL REIMBURSE THE BOARD OF TRUSTEES THE AMOUNT EQUAL TO ANY REDUCTION TO THE INDIVIDUAL'S RETIREMENT ALLOWANCE THAT WOULD HAVE BEEN MADE IN PARAGRAPH (2) OF THIS SUBSECTION AS A RESULT OF THE SUPERINTENDENT'S FAILURE TO SUBMIT CERTIFICATION UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH.

(v) The local school system shall make the reimbursement on or before December 31 of the year the local school system receives notice from the Board of Trustees under subparagraph (iii)2A of this paragraph.

22-407.

(A) THIS SECTION APPLIES TO AN INDIVIDUAL WHO:

(1) ~~IS APPOINTED AS A JUDGE OF THE COURT OF APPEALS, THE COURT OF SPECIAL APPEALS, A CIRCUIT COURT OF A COUNTY IN THE STATE, OR THE DISTRICT COURT OF MARYLAND~~ IS ELIGIBLE FOR MEMBERSHIP IN THE JUDGES' RETIREMENT SYSTEM AS PROVIDED IN § 27-201(A) OF THIS TITLE;  
AND

(2) (I) IS RECEIVING A SERVICE RETIREMENT ALLOWANCE FROM THE EMPLOYEES' RETIREMENT SYSTEM AT THE TIME OF APPOINTMENT IN ITEM (1) OF THIS SUBSECTION; OR

(II) 1. HAS EARNED A VESTED ALLOWANCE FROM THE EMPLOYEES' RETIREMENT SYSTEM; AND

2. BEGINS RECEIVING THE VESTED ALLOWANCE WHILE SERVING AS A JUDGE DESCRIBED IN ITEM (1) OF THIS SUBSECTION.

(B) AN INDIVIDUAL DESCRIBED IN SUBSECTION (A) OF THIS SECTION MAY ELECT TO RECEIVE SERVICE CREDIT IN THE JUDGES' RETIREMENT SYSTEM.

(c) (1) AN INDIVIDUAL DESCRIBED IN SUBSECTION (A) OF THIS SECTION WHO ELECTS TO RECEIVE SERVICE CREDIT IN THE JUDGES' RETIREMENT SYSTEM UNDER SUBSECTION (B) OF THIS SECTION SHALL COMPLETE AND FILE A FORM PROVIDED BY THE BOARD OF TRUSTEES DIRECTING THE BOARD OF TRUSTEES TO SUSPEND THE INDIVIDUAL'S ALLOWANCE WHILE THE INDIVIDUAL IS RECEIVING SERVICE CREDIT IN THE JUDGES' RETIREMENT SYSTEM.

(2) (i) AN INDIVIDUAL SHALL FILE A FORM DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION WITH THE BOARD OF TRUSTEES:

1. IF THE INDIVIDUAL IS RECEIVING A SERVICE RETIREMENT ALLOWANCE FROM THE EMPLOYEES' RETIREMENT SYSTEM PRIOR TO SERVING AS A JUDGE, AT THE TIME THE INDIVIDUAL BECOMES A MEMBER OF THE JUDGES' RETIREMENT SYSTEM; OR

2. IF THE INDIVIDUAL HAS EARNED A VESTED ALLOWANCE FROM THE EMPLOYEES' RETIREMENT SYSTEM AND BECOMES ELIGIBLE TO RECEIVE THAT ALLOWANCE AFTER THE INDIVIDUAL BECOMES A MEMBER OF THE JUDGES' RETIREMENT SYSTEM, AT THE TIME THE INDIVIDUAL APPLIES TO RECEIVE THE VESTED ALLOWANCE.

(ii) A TEMPORARY SUSPENSION UNDER THIS SUBSECTION SHALL BEGIN ON THE FIRST DAY OF THE MONTH FOLLOWING THE MONTH IN WHICH THE BOARD OF TRUSTEES RECEIVED THE INDIVIDUAL'S REQUEST TO TEMPORARILY SUSPEND THE ALLOWANCE.

(d) AN INDIVIDUAL WHOSE ALLOWANCE IS TEMPORARILY SUSPENDED UNDER SUBSECTION (C) OF THIS SECTION IS NOT SUBJECT TO A REDUCTION AS PROVIDED IN § 22-406 OF THIS SUBTITLE DURING THE PERIOD THE INDIVIDUAL IS SERVING AS A JUDGE.

(e) (1) ON RECEIVING SATISFACTORY DOCUMENTATION THAT THE INDIVIDUAL IS NO LONGER SERVING AS A JUDGE, THE BOARD OF TRUSTEES SHALL REINSTATE THE INDIVIDUAL'S ALLOWANCE WITH ACCUMULATED COST-OF-LIVING ADJUSTMENTS FROM THE DATE THE ALLOWANCE WAS TEMPORARILY SUSPENDED.

(2) THE INDIVIDUAL'S ALLOWANCE WILL BE REINSTATED ON THE FIRST DAY OF THE MONTH FOLLOWING THE MONTH IN WHICH THE INDIVIDUAL CEASED SERVING AS A JUDGE.

**(F) IF AN INDIVIDUAL WHOSE ALLOWANCE IS TEMPORARILY SUSPENDED DIES WHILE SERVING AS A JUDGE, THE SURVIVING SPOUSE OF THE INDIVIDUAL SHALL RECEIVE:**

**(1) SURVIVORSHIP BENEFITS AS PROVIDED IN § 27-403 OF THIS ARTICLE; AND**

**(2) IF THE SURVIVING SPOUSE IS THE INDIVIDUAL'S DESIGNATED BENEFICIARY, THE SURVIVORSHIP BENEFITS SELECTED BY THE INDIVIDUAL AT THE TIME OF RETIREMENT FROM THE EMPLOYEES' RETIREMENT SYSTEM.**

23-407.

(b) Except as provided in subsection (m) of this section, an individual who is receiving a service retirement allowance or a vested allowance may accept employment with a participating employer on a permanent, temporary, or contractual basis, if:

(1) the individual immediately notifies the Board of Trustees of the individual's intention to accept this employment; and

(2) the individual specifies the compensation to be received.

(c) (1) **[The] EXCEPT AS PROVIDED IN § 23-408 OF THIS SUBTITLE,** THE Board of Trustees shall reduce the allowance of an individual who accepts employment as provided under subsection (b) of this section if:

(i) the individual's current employer is a participating employer other than the State and is the same participating employer that employed the individual at the time of the individual's last separation from employment with a participating employer before the individual commenced receiving a service retirement allowance or vested allowance;

(ii) the individual's current employer is any unit of State government and the individual's employer at the time of the individual's last separation from employment with the State before the individual commenced receiving a service retirement allowance or vested allowance was also a unit of State government; or

(iii) the individual becomes reemployed within 12 months of receiving an early service retirement allowance or an early vested allowance computed under § 23-402 of this subtitle.

(2) The reduction required under paragraph (1) of this subsection shall equal:

(i) the amount by which the sum of the individual's initial annual basic allowance and the individual's annual compensation exceeds the average final compensation used to compute the basic allowance; or

(ii) for a retiree who retired under the Workforce Reduction Act (Chapter 353 of the Acts of 1996), the amount by which the sum of the retiree's annual compensation and the retiree's annual basic allowance at the time of retirement, including the incentive provided by the Workforce Reduction Act, exceeds the average final compensation used to compute the basic allowance.

(3) A reduction of an early service retirement allowance or an early vested allowance under paragraph (1)(iii) of this subsection shall be applied only until the individual has received an allowance for 12 months.

(4) Except for an individual whose allowance is subject to a reduction as provided under paragraphs (1)(iii) and (3) of this subsection, the reduction of an allowance under this subsection does not apply to:

(v) a retiree of the Teachers' Pension System who:

1. A. was employed as a principal within 5 years of retirement; or

B. was employed as a principal not more than 10 years before retirement and was employed in a position supervising principals in the retiree's last assignment prior to retirement;

2. has verification of satisfactory performance for each year as a principal and, if applicable, in a position supervising principals prior to retirement;

3. based on the retiree's qualifications, has been hired as a principal; and

4. receives verification of satisfactory performance each year the retiree is employed as a principal under paragraph (6) of this subsection; [or]

(vi) a retiree of the Employees' Pension System who is reemployed on a contractual basis for not more than 4 years by the Department of Health and Mental Hygiene as a health care practitioner, as defined in § 1-301 of the Health Occupations Article in:

1. a State residential center as defined in § 7-101 of the Health – General Article;

2. a chronic disease center subject to Title 19, Subtitle 5 of the Health – General Article;

3. a State facility as defined in § 10–101 of the Health – General Article; or

4. a local health department subject to Title 3, Subtitle 2 of the Health – General Article; OR

**(VII) A RETIREE OF THE EMPLOYEES’ PENSION SYSTEM AND THE JUDGES’ RETIREMENT SYSTEM WHO IS TEMPORARILY ASSIGNED TO SIT IN A COURT OF THIS STATE UNDER THE AUTHORITY OF ARTICLE IV, § 3A OF THE MARYLAND CONSTITUTION.**

(9) (i) The superintendent of the local school system rehiring an individual under paragraph (4)(iv) or (v) of this subsection shall:

- 1. approve the rehiring of that individual; and
- 2. determine the school where the individual is to be reemployed.

(ii) Within 30 days after rehiring an individual, the superintendent of a local school system shall complete and file with the Board of Trustees and the State Department of Education a form provided by the Board of Trustees that certifies that the individual rehired by the local school system under paragraph [(4)(v) or (vi)] **(4)(IV) OR (V)** of this subsection:

- 1. satisfied the criteria provided in paragraph (4)(iv) or (v) of this subsection;
- 2. was reemployed at a school described under paragraph (5)(i) or (6) of this subsection; and
- 3. if rehired under paragraph (4)(iv) of this subsection, was:
  - A. teaching in an area specified in paragraph (5)(ii) of this subsection; or
  - B. teaching in any class or subject or providing educational services as provided under paragraph (8) of this subsection.

(iii) 1. On or before April 1 of each year, the Board of Trustees and the State Department of Education shall jointly review any forms filed by a superintendent of a local school system under subparagraph (ii) of this paragraph.

2. If the Board of Trustees and the State Department of Education agree that a superintendent of a local school system has rehired an individual that does not satisfy the criteria provided in paragraph (4)(iv) or (v) and (5), (6), or (8) of this subsection:

A. on or before July 1 of the year of the finding, the Board of Trustees shall notify the superintendent of the local school system of this individual; and

B. the local school system shall reimburse the Board of Trustees the amount equal to the reduction to the individual's retirement allowance that would have been made in paragraph (2) of this subsection.

**(iv) IF A SUPERINTENDENT OF A LOCAL SCHOOL SYSTEM REHIRS AN INDIVIDUAL THAT SATISFIES THE CRITERIA PROVIDED IN PARAGRAPHS (4)(IV) OR (V) AND (5), (6), OR (8) OF THIS SUBSECTION AND THE BOARD OF TRUSTEES AND THE STATE DEPARTMENT OF EDUCATION DO NOT RECEIVE CERTIFICATION FROM THE SUPERINTENDENT IN THE TIME REQUIRED UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH:**

**1. ON OR BEFORE JULY 1 OF THE YEAR OF THE FINDING, THE BOARD OF TRUSTEES SHALL NOTIFY THE SUPERINTENDENT OF THE LOCAL SCHOOL SYSTEM OF THIS INDIVIDUAL; AND**

**2. THE LOCAL SCHOOL SYSTEM SHALL REIMBURSE THE BOARD OF TRUSTEES THE AMOUNT EQUAL TO ANY REDUCTION TO THE INDIVIDUAL'S RETIREMENT ALLOWANCE THAT WOULD HAVE BEEN MADE IN PARAGRAPH (2) OF THIS SUBSECTION AS A RESULT OF THE SUPERINTENDENT'S FAILURE TO SUBMIT CERTIFICATION UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH.**

**(v)** The local school system shall make the reimbursement on or before December 31 of the year the local school system receives notice from the Board of Trustees under subparagraph (iii)2A of this paragraph.

**23-408.**

**(A) THIS SECTION APPLIES TO AN INDIVIDUAL WHO:**

~~(1) IS APPOINTED AS A JUDGE OF THE COURT OF APPEALS, THE COURT OF SPECIAL APPEALS, A CIRCUIT COURT OF A COUNTY IN THE STATE, OR THE DISTRICT COURT OF MARYLAND~~ IS ELIGIBLE FOR MEMBERSHIP IN THE JUDGES' RETIREMENT SYSTEM AS PROVIDED IN § 27-201(A) OF THIS TITLE;  
AND

(2) (i) IS RECEIVING A SERVICE RETIREMENT ALLOWANCE FROM THE EMPLOYEES' PENSION SYSTEM AT THE TIME OF APPOINTMENT IN ITEM (1) OF THIS SUBSECTION; OR

(ii) 1. HAS EARNED A VESTED ALLOWANCE FROM THE EMPLOYEES' PENSION SYSTEM; AND

2. BEGINS RECEIVING THE VESTED ALLOWANCE WHILE SERVING AS A JUDGE DESCRIBED IN ITEM (1) OF THIS SUBSECTION.

(B) AN INDIVIDUAL DESCRIBED IN SUBSECTION (A) OF THIS SECTION MAY ELECT TO RECEIVE SERVICE CREDIT IN THE JUDGES' RETIREMENT SYSTEM.

(C) (1) AN INDIVIDUAL DESCRIBED IN SUBSECTION (A) OF THIS SECTION WHO ELECTS TO RECEIVE SERVICE CREDIT IN THE JUDGES' RETIREMENT SYSTEM UNDER SUBSECTION (B) OF THIS SECTION SHALL COMPLETE AND FILE A FORM PROVIDED BY THE BOARD OF TRUSTEES DIRECTING THE BOARD OF TRUSTEES TO SUSPEND THE INDIVIDUAL'S ALLOWANCE WHILE THE INDIVIDUAL IS RECEIVING SERVICE CREDIT IN THE JUDGES' RETIREMENT SYSTEM.

(2) (i) AN INDIVIDUAL SHALL FILE A FORM DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION WITH THE BOARD OF TRUSTEES:

1. IF THE INDIVIDUAL IS RECEIVING A SERVICE RETIREMENT ALLOWANCE FROM THE EMPLOYEES' PENSION SYSTEM PRIOR TO SERVING AS A JUDGE, AT THE TIME THE INDIVIDUAL BECOMES A MEMBER OF THE JUDGES' RETIREMENT SYSTEM; OR

2. IF THE INDIVIDUAL HAS EARNED A VESTED ALLOWANCE FROM THE EMPLOYEES' PENSION SYSTEM AND BECOMES ELIGIBLE TO RECEIVE THAT ALLOWANCE AFTER THE INDIVIDUAL BECOMES A MEMBER OF THE JUDGES' RETIREMENT SYSTEM, AT THE TIME THE INDIVIDUAL APPLIES TO RECEIVE THE VESTED ALLOWANCE.

(II) A TEMPORARY SUSPENSION UNDER THIS SUBSECTION SHALL BEGIN ON THE FIRST DAY OF THE MONTH FOLLOWING THE MONTH IN WHICH THE BOARD OF TRUSTEES RECEIVED THE INDIVIDUAL'S REQUEST TO TEMPORARILY SUSPEND THE ALLOWANCE.

(D) AN INDIVIDUAL WHOSE ALLOWANCE IS TEMPORARILY SUSPENDED UNDER SUBSECTION (C) OF THIS SECTION IS NOT SUBJECT TO A REDUCTION AS PROVIDED IN § 23-407 OF THIS SUBTITLE DURING THE PERIOD THE INDIVIDUAL IS SERVING AS A JUDGE.

(E) (1) ON RECEIVING SATISFACTORY DOCUMENTATION THAT THE INDIVIDUAL IS NO LONGER SERVING AS A JUDGE, THE BOARD OF TRUSTEES SHALL REINSTATE THE INDIVIDUAL'S ALLOWANCE WITH ACCUMULATED COST-OF-LIVING ADJUSTMENTS FROM THE DATE THE ALLOWANCE WAS TEMPORARILY SUSPENDED.

(2) THE INDIVIDUAL'S ALLOWANCE WILL BE REINSTATED ON THE FIRST DAY OF THE MONTH FOLLOWING THE MONTH IN WHICH THE INDIVIDUAL CEASED SERVING AS A JUDGE.

(F) IF AN INDIVIDUAL WHOSE ALLOWANCE IS TEMPORARILY SUSPENDED DIES WHILE SERVING AS A JUDGE, THE SURVIVING SPOUSE OF THE INDIVIDUAL SHALL RECEIVE:

(1) SURVIVORSHIP BENEFITS AS PROVIDED IN § 27-403 OF THIS ARTICLE; AND

(2) IF THE SURVIVING SPOUSE IS THE INDIVIDUAL'S DESIGNATED BENEFICIARY, THE SURVIVORSHIP BENEFITS SELECTED BY THE INDIVIDUAL AT THE TIME OF RETIREMENT FROM THE EMPLOYEES' PENSION SYSTEM.

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) (1) This subsection applies to an individual who on June 30, 2008:

(i) ~~is serving as a judge of the Court of Appeals, the Court of Special Appeals, a circuit court of a county in the State, or the District Court of Maryland;~~

(ii) is eligible to receive a service retirement allowance or vested allowance from the Employees' Retirement System or Employees' Pension System; and

~~(iii)~~ (ii) is receiving service credit in the Judges' Retirement System.

(2) (i) An individual described in paragraph (1) of this subsection may elect to apply for a service retirement allowance from the State employees' system from which the individual is eligible to receive an allowance.

(ii) An individual who elects to apply for a service retirement allowance under subparagraph (i) of this paragraph shall complete and file a form provided by the Board of Trustees for the State Retirement and Pension System on or before December 31, 2008, directing the Board of Trustees to suspend the individual's service retirement allowance from the Employees' Retirement System or Employees' Pension System while the individual is receiving service credit in the Judges' Retirement System.

(b) (1) This subsection applies to an individual who on June 30, 2008:

(i) ~~is serving as a judge of the Court of Appeals, the Court of Special Appeals, a circuit court of a county in the State, or the District Court of Maryland~~ is eligible for membership in the Judges' Retirement System as provided in § 27-201(a) of the State Personnel and Pensions Article;

(ii) is receiving a service retirement allowance from the Employees' Retirement System or the Employees' Pension System; and

(iii) is receiving a reduction to that allowance under § 22-406 or § 23-407 of the State Personnel and Pensions Article.

(2) (i) An individual described in paragraph (1) of this subsection may elect to receive service credit in the Judges' Retirement System.

(ii) An individual who elects to receive service credit in the Judges' Retirement System under subparagraph (i) of this paragraph shall complete and file a form provided by the Board of Trustees for the State Retirement and Pension System on or before December 31, 2008, directing the Board of Trustees to suspend the individual's service retirement allowance from the Employees' Retirement System or Employees' Pension System while the individual is receiving service credit in the Judges' Retirement System.

(c) A service retirement allowance from the Employees' Retirement System or Employees' Pension System that is temporarily suspended under this section shall be suspended on the first day of the month following the month in which the Board of Trustees receives the individual's completed form under subsection (a)(2) or (b)(2) of this section.

(d) An individual whose allowance is temporarily suspended under subsection (a)(2) or (b)(2) of this section is not subject to a reduction as provided in § 22-406 or § 23-407 of the State Personnel and Pensions Article during the period the individual is serving as a judge.

(e) (1) On receiving satisfactory documentation that the individual is no longer serving as a judge, the Board of Trustees shall reinstate the individual's allowance from the applicable State employees' system with accumulated cost-of-living adjustments from the date the allowance was temporarily suspended.

(2) The individual's allowance will be reinstated on the first day of the month following the month in which the individual ceased serving as a judge.

(f) If an individual whose allowance from the Employees' Retirement System or Employees' Pension System is temporarily suspended dies while serving as a judge, the surviving spouse of the individual shall receive:

(1) survivorship benefits as provided in § 27-403 of the State Personnel and Pensions Article; and

(2) if the surviving spouse is the individual's designated beneficiary, the survivorship benefits selected by the individual at the time of retirement from the Employees' Retirement System or Employees' Pension System.

SECTION 3. AND BE IT FURTHER ENACTED, That:

(a) (1) The Joint Committee on Pensions shall study reemployment of retirees in the State Retirement and Pension System.

(2) The Joint Committee on Pensions shall receive data based on criteria established by the Joint Committee on Pensions from:

(i) the State Retirement and Pension System;

(ii) the Department of Budget and Management; and

(iii) the State Department of Education.

(b) The Joint Committee on Pensions shall report its findings to the Senate Budget and Taxation Committee and the House Appropriations Committee on or before December 31, 2008, in accordance with § 2-1246 of the State Government Article.

SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2008. Section 2 of this Act shall remain effective for a period of 6 months and,

at the end of December 31, 2008, with no further action required by the General Assembly, Section 2 of this Act shall be abrogated and of no further force and effect.

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May 22, 2008

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate  
State House  
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 626 – *Prince George's County – Alcoholic Beverages – Convention Center License PG 331-08*.

This bill establishes a Class B-CC (convention center) beer, wine and liquor license in Prince George's County. The bill specifies that a license may be issued only to a specified establishment that is equipped with specified rooms and facilities. Further, the bill provides for a \$20,000 annual license fee and specifies hours of sale.

House Bill 1479, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 626.

Sincerely,

Governor

**Senate Bill 626**

AN ACT concerning

**Prince George's County – Alcoholic Beverages – Convention Center License**

FOR the purpose of establishing a Class B-CC (convention center) beer, wine and liquor license in Prince George's County; specifying that a license may be issued

only to a certain establishment that is equipped with certain rooms and facilities; providing for an annual license fee; requiring that the total average daily receipts from certain sources exceed the average daily receipts from the sale of alcoholic beverages; specifying certain hours of sale; authorizing the sale of alcoholic beverages from locked, prestocked private bars under certain circumstances; authorizing the sale of alcoholic beverages and dancing and live entertainment throughout the licensed establishment; specifying that this Act does not preclude a license holder from having an interest in certain other licenses; providing for certain exceptions to certain licensing restrictions; making this Act an emergency measure; and generally relating to the Class B-CC (convention center) alcoholic beverages license in Prince George's County.

BY repealing and reenacting, without amendments,

Article 2B – Alcoholic Beverages

Section 6-201(r)(1)(i) and 9-217(a)

Annotated Code of Maryland

(2005 Replacement Volume and 2007 Supplement)

BY adding to

Article 2B – Alcoholic Beverages

Section 6-201(r)(16)

Annotated Code of Maryland

(2005 Replacement Volume and 2007 Supplement)

BY repealing and reenacting, with amendments,

Article 2B – Alcoholic Beverages

Section 9-101(d)(6), 9-102(a), and 9-217(d)

Annotated Code of Maryland

(2005 Replacement Volume and 2007 Supplement)

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

**Article 2B – Alcoholic Beverages**

6-201.

(r) (1) (i) This subsection applies only in Prince George's County.

**(16) (i) THERE IS A CLASS B-CC (CONVENTION CENTER) BEER, WINE AND LIQUOR LICENSE.**

**(ii) A CLASS B-CC LICENSE MAY BE ISSUED ONLY TO AN ESTABLISHMENT THAT IS RECOGNIZED AS A HOTEL FOR THE ACCOMMODATION**

OF THE PUBLIC THAT PROVIDES SERVICES ORDINARILY PROVIDED IN HOTELS AND THAT IS EQUIPPED WITH:

1. AT LEAST 1,500 BEDROOMS;
2. AT LEAST THREE DINING AREAS WITH FACILITIES FOR PREPARING AND SERVING REGULAR MEALS;
3. ROOMS FOR MEETINGS, DISPLAYS, BANQUETS, BALLS, DANCING, AND LIVE ENTERTAINMENT; AND
4. A BAR AND ENTERTAINMENT OR DANCING AREA COMMONLY RECOGNIZED AS A NIGHTCLUB.

(III) THE ANNUAL LICENSE FEE IS \$20,000.

(IV) THE TOTAL AVERAGE DAILY RECEIPTS FROM THE HIRE OF MEETING ROOMS, BEDROOMS, AND THE SALE OF FOOD OF A CLASS B-CC LICENSED ESTABLISHMENT SHALL EXCEED THE AVERAGE DAILY RECEIPTS FROM THE SALE OF ALCOHOLIC BEVERAGES.

(V) THE HOURS DURING WHICH ALCOHOLIC BEVERAGES MAY BE SERVED AT A CLASS B-CC LICENSED ESTABLISHMENT ARE FROM 6 A.M. UNTIL 3 A.M. THE NEXT MORNING, 7 DAYS A WEEK.

(VI) 1. EXCEPT AS PROVIDED IN SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH, ALCOHOLIC BEVERAGES MAY BE SOLD FROM A LOCKED, PRESTOCKED PRIVATE BAR IN AN INDIVIDUAL GUEST ROOM IF THE CHARGES FOR THE ALCOHOLIC BEVERAGES SOLD ARE INDICATED ON THE GUEST ROOM BILL.

2. THE MANAGEMENT OF THE ESTABLISHMENT SHALL REMOVE THE BAR KEY FROM ANY ROOM THAT IS RENTED TO A GUEST UNDER THE AGE OF 21 YEARS.

(VII) ALCOHOLIC BEVERAGES MAY BE SOLD FOR CONSUMPTION ON THE PREMISES THROUGHOUT THE LICENSED ESTABLISHMENT, BOTH INDOORS AND OUTDOORS, INCLUDING MEETING AND BANQUET ROOMS, PATIOS, VERANDAS, QUAYS, AND GREEN SPACES.

(VIII) DANCING AND LIVE ENTERTAINMENT ARE AUTHORIZED THROUGHOUT THE LICENSED ESTABLISHMENT.

**(IX) THIS PARAGRAPH DOES NOT PRECLUDE A HOLDER OF A CLASS B-CC LICENSE FROM HAVING AN INTEREST IN OTHER ALCOHOLIC BEVERAGES LICENSES IN THE COUNTY.**

9-101.

(d) (6) This section does not apply to racetrack licenses, Class BLX licenses, arena licenses, Class BCE (catering) licenses, **CLASS B-CC (CONVENTION CENTER) LICENSES**, Class B/ECF (educational conference facility) licenses, issuance, renewal, or transfer of Class B-DD (development district) licenses, or to businesses whose sales of stock or interests are authorized for sale by the Securities and Exchange Commission of the United States.

9-102.

(a) No more than one license provided by this article, except by way of renewal or as otherwise provided in this section, shall be issued in any county or Baltimore City, to any person, or for the use of any partnership, corporation, unincorporated association, or limited liability company, in Baltimore City or any county of the State, and no more than one license shall be issued for the same premises except as provided in §§ 2-201 through 2-208, 2-301, and 6-701, and nothing herein shall be construed to apply to § 6-201(r)(15), **§ 6-201(R)(16)**, § 7-101(b) and (c), § 8-202(g)(2)(ii) and (iii), § 8-508, or § 12-202 of this article.

9-217.

(a) This section applies only in Prince George's County.

(d) This section does not apply to a license issued under the provisions of § 6-201(r)(2), (5), [or] (15), **OR (16)**, or § 7-101 of this article.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a ye and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted.

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May 22, 2008

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate  
State House  
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 676 – *Property Tax Credit – Commercial Waterfront Property*.

This bill authorizes the Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation to grant, by law, a tax credit against the county or municipal corporation property tax imposed on specified commercial waterfront property. The bill also authorizes the county or municipal corporation to provide for the amount and duration of the credit and specified other provisions to carry out the credit.

House Bill 612, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 676.

Sincerely,

Governor

**Senate Bill 676**

AN ACT concerning

**Property Tax ~~Assessment~~ Credit – Commercial Waterfront Property**

FOR the purpose of ~~establishing commercial waterfront property as a subclass of real property for assessment purposes; providing for the assessment of certain commercial waterfront property based on its use instead of its market value; requiring the State Department of Assessments and Taxation to adopt certain regulations; requiring the Department to provide certain notice to certain property owners; providing for certain applications for property to be assessed as commercial waterfront property; providing for the termination of a certain use assessment and the imposition of a certain penalty under certain circumstances; providing for the distribution of the proceeds from a certain penalty; defining certain terms declaring the intent of the General Assembly; making this Act an emergency measure; and generally relating to the assessment of certain commercial waterfront property for property tax purposes~~ authorizing the Mayor and City Council of Baltimore City or the governing body

of a county or of a municipal corporation to grant, by law, a tax credit against the county or municipal corporation property tax imposed on certain commercial waterfront property; authorizing the county or municipal corporation to provide, by law, for the amount and duration of the credit and certain other provisions to carry out the credit; defining certain terms; providing for the application of this Act; and generally relating to a local property tax credit for commercial waterfront property.

~~BY repealing and reenacting, with amendments,  
Article – Tax – Property  
Section 8 – 101(b)  
Annotated Code of Maryland  
(2007 Replacement Volume)~~

BY adding to  
Article – Tax – Property  
Section ~~8 – 228.1~~ 9-248  
Annotated Code of Maryland  
(2007 Replacement Volume)

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

### Article – Tax – Property

~~8 – 101.~~

~~(b) Real property is a class of property and is divided into the following subclasses:~~

~~(1) land that is actively devoted to farm or agricultural use, assessed under § 8 – 209 of this title;~~

~~(2) marshland, assessed under § 8 – 210 of this title;~~

~~(3) woodland, assessed under § 8 – 211 of this title;~~

~~(4) land of a country club or golf course, assessed under §§ 8 – 212 through 8 – 217 of this title;~~

~~(5) land that is used for a planned development, assessed under §§ 8 – 220 through 8 – 225 of this title;~~

~~(6) rezoned real property that is used for residential purposes, assessed under §§ 8 – 226 through 8 – 228 of this title;~~

- ~~(7) operating real property of a railroad;~~
- ~~(8) operating real property of a public utility;~~
- ~~(9) property valued under § 8-105(a)(3) of this subtitle;~~
- ~~(10) conservation property, assessed under § 8-200.1 of this title; [and]~~
- ~~(11) COMMERCIAL WATERFRONT PROPERTY, ASSESSED UNDER § 8-228.1 OF THIS TITLE; AND~~

~~[(11)](12) all other real property that is directed by this article to be assessed.~~

~~§ 228.1, 9-248.~~

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

(2) (I) “COMMERCIAL FISHING FISH OPERATION” MEANS ANY ACTIVITY FOR WHICH A PERSON IS REQUIRED TO POSSESS A TIDAL FISHING FISH LICENSE UNDER § 4-701 OF THE NATURAL RESOURCES ARTICLE.

(II) “COMMERCIAL FISH OPERATION” INCLUDES ANY ACTIVITY FOR WHICH A PERSON IS REQUIRED TO BE LICENSED AS A SEAFOOD DEALER UNDER § 4-701 OF THE NATURAL RESOURCES ARTICLE.

(3) “COMMERCIAL FISHING VESSEL” MEANS A VESSEL THAT IS:

(I) OWNED OR LEASED BY A PERSON POSSESSING A TIDAL FISH LICENSE UNDER § 4-701 OF THE NATURAL RESOURCES ARTICLE; AND

(II) USED IN A COMMERCIAL FISH OPERATION.

~~(3)~~ (4) “COMMERCIAL MARINA” MEANS A MARINA ~~USED FOR COMMERCIAL PURPOSES~~ THAT LEASES AT LEAST 20% OF ITS SLIPS TO COMMERCIAL FISHING VESSELS.

(5) “COMMERCIAL MARINE REPAIR FACILITY” MEANS A MARINE REPAIR FACILITY THAT DERIVES AT LEAST 20% OF ITS GROSS RECEIPTS FROM CHARGES FOR THE REPAIR AND MAINTENANCE OF COMMERCIAL FISHING VESSELS.

~~(4)~~ ~~(6)~~ (I) “COMMERCIAL WATERFRONT PROPERTY” MEANS REAL PROPERTY THAT:

1. IS ADJACENT TO THE TIDAL WATERS OF THE STATE;

2. IS USED PRIMARILY FOR A COMMERCIAL ~~FISHING~~ FISH OPERATION OR AS A COMMERCIAL MARINA OR COMMERCIAL MARINE REPAIR FACILITY; AND

3. FOR THE MOST RECENT 3-YEAR PERIOD, HAS PRODUCED AN AVERAGE ANNUAL GROSS INCOME OF AT LEAST \$1,000.

(II) “COMMERCIAL WATERFRONT PROPERTY” INCLUDES LAND THAT IS ADJACENT TO OR UNDER IMPROVEMENTS USED PRIMARILY FOR A COMMERCIAL ~~FISHING~~ FISH OPERATION OR AS A COMMERCIAL MARINA OR COMMERCIAL MARINE REPAIR FACILITY.

~~(B) THE GENERAL ASSEMBLY STATES THAT IT IS IN THE GENERAL PUBLIC INTEREST TO PROVIDE FOR THE VALUATION AND ASSESSMENT OF COMMERCIAL WATERFRONT PROPERTY THAT IS USED FOR COMMERCIAL FISHING OR COMMERCIAL MARINA PURPOSES ON THE BASIS OF THAT USE AND NOT UPON A GREATER VALUE ATTRIBUTABLE TO POTENTIAL USES OTHER THAN AS COMMERCIAL WATERFRONT PROPERTY.~~

~~(C) (1) (i) FOR PROPERTY TO BE ASSESSED AS COMMERCIAL WATERFRONT PROPERTY UNDER THIS SECTION:~~

~~1. THE PROPERTY OWNER SHALL APPLY TO THE SUPERVISOR ON OR BEFORE APRIL 1 IMMEDIATELY PRECEDING THE FIRST TAXABLE YEAR FOR WHICH THE USE ASSESSMENT IS SOUGHT; AND~~

~~2. THE APPLICATION SHALL ESTABLISH TO THE SATISFACTION OF THE DEPARTMENT THAT THE PROPERTY IS COMMERCIAL WATERFRONT PROPERTY.~~

~~(ii) FOR GOOD CAUSE, THE DEPARTMENT MAY ACCEPT AN APPLICATION AFTER APRIL 1 BUT ON OR BEFORE MAY 1 IMMEDIATELY PRECEDING THE TAXABLE YEAR FOR WHICH THE USE ASSESSMENT IS SOUGHT.~~

~~(2) COMMERCIAL WATERFRONT PROPERTY SHALL BE ASSESSED BASED ON ITS USE AS COMMERCIAL WATERFRONT PROPERTY AND NOT AT ITS MARKET VALUE BASED ON ITS HIGHEST AND BEST USE.~~

~~(3) THE DEPARTMENT SHALL ADOPT REGULATIONS TO CARRY OUT THE USE ASSESSMENT PROVIDED UNDER THIS SECTION.~~

~~(4) (i) THE DEPARTMENT SHALL GIVE NOTICE TO OWNERS OF PROPERTIES THAT THE DEPARTMENT IDENTIFIES AS POTENTIALLY ELIGIBLE FOR USE ASSESSMENT UNDER THIS SECTION.~~

~~(ii) THE NOTICE SHALL INCLUDE ANY INFORMATION NEEDED TO CONVEY:~~

- ~~1. ELIGIBILITY REQUIREMENTS;~~
- ~~2. FILING DEADLINES;~~
- ~~3. APPLICABLE LIMITATIONS; AND~~
- ~~4. CONTACT INFORMATION FOR APPLICATION FORMS.~~

~~(5) THE DEPARTMENT SHALL NOTIFY AN APPLICANT IN WRITING IF THE APPLICANT IS NOT ELIGIBLE FOR USE ASSESSMENT UNDER THIS SECTION.~~

~~(D) (1) IF ANY PART OF COMMERCIAL WATERFRONT PROPERTY IS USED FOR A PURPOSE OTHER THAN AS COMMERCIAL WATERFRONT PROPERTY:~~

~~(i) THAT PART OF THE PROPERTY CEASES TO BE COMMERCIAL WATERFRONT PROPERTY;~~

~~(ii) THE USE ASSESSMENT UNDER THIS SECTION TERMINATES AS TO THAT PART OF THE PROPERTY; AND~~

~~(iii) THE DEPARTMENT SHALL VALUE AND ASSESS THAT PART OF THE PROPERTY IN ACCORDANCE WITH SUBTITLE 1 OF THIS TITLE.~~

~~(2) IF A USE ASSESSMENT UNDER THIS SECTION IS TERMINATED UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE OWNER WHO PAID TAXES BASED ON THE USE ASSESSMENT UNDER THIS SECTION SHALL PAY TO THE~~

~~DEPARTMENT A PENALTY AS CALCULATED IN PARAGRAPH (3) OF THIS SUBSECTION.~~

~~(3) (i) THE PENALTY DUE UNDER THIS SUBSECTION IS CALCULATED BASED ON MULTIPLYING:~~

~~1. THE DIFFERENCE BETWEEN THE ASSESSMENT OF THAT PART OF THE PROPERTY AS TO WHICH THE USE ASSESSMENT IS TERMINATED BASED ON ITS USE AS COMMERCIAL WATERFRONT PROPERTY AND THE ASSESSMENT REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION; AND~~

~~2. THE SUM OF THE STATE, COUNTY, AND MUNICIPAL TAX RATES FOR THE CURRENT TAX YEAR.~~

~~(ii) THE TOTAL PENALTY DUE UNDER THIS SUBSECTION EQUALS THE AMOUNT DETERMINED IN SUBPARAGRAPH (i) OF THIS PARAGRAPH MULTIPLIED BY THE NUMBER OF YEARS, NOT EXCEEDING 3, FOR WHICH THE OWNER RECEIVED A USE ASSESSMENT UNDER THIS SECTION.~~

~~(iii) ANNUAL INTEREST AT THE RATE OF 12% SHALL APPLY TO THE PENALTY CALCULATED UNDER THIS PARAGRAPH.~~

~~(4) THE PROCEEDS OF THE PENALTY COLLECTED UNDER THIS SUBSECTION SHALL BE DISTRIBUTED TO THE STATE, COUNTY, AND MUNICIPAL GOVERNMENTS IN THE PROPORTION THAT EACH TAX RATE BEARS TO THE TOTAL OF THE STATE, COUNTY, AND MUNICIPAL TAX RATES.~~

~~SECTION 2. AND BE IT FURTHER ENACTED, That, notwithstanding the provisions of § 8-228.1(c)(1) of the Tax Property Article as enacted by Section 1 of this Act, for the taxable year that begins July 1, 2008:~~

~~(1) An owner of commercial waterfront property may apply for a commercial waterfront property use assessment on or before June 30, 2008; and~~

~~(2) For good cause shown, the State Department of Assessments and Taxation may accept an application for a commercial waterfront property use assessment after June 30, 2008, but before August 1, 2008.~~

(B) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE GOVERNING BODY OF A COUNTY OR OF A MUNICIPAL CORPORATION MAY GRANT, BY LAW, A TAX CREDIT AGAINST THE COUNTY OR MUNICIPAL CORPORATION PROPERTY TAX IMPOSED ON COMMERCIAL WATERFRONT PROPERTY.

(C) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE GOVERNING BODY OF A COUNTY OR OF A MUNICIPAL CORPORATION MAY PROVIDE, BY LAW, FOR:

(1) THE AMOUNT AND DURATION OF THE TAX CREDIT UNDER THIS SECTION;

(2) ADDITIONAL ELIGIBILITY CRITERIA FOR THE TAX CREDIT UNDER THIS SECTION;

(3) REGULATIONS AND PROCEDURES FOR THE APPLICATION AND UNIFORM PROCESSING OF REQUESTS FOR THE TAX CREDIT; AND

(4) ANY OTHER PROVISION NECESSARY TO CARRY OUT THE CREDIT UNDER THIS SECTION.

SECTION ~~3~~ 2. AND BE IT FURTHER ENACTED, That this Act ~~is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea and nay vote supported by three fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted~~ shall take effect June 1, 2008, and shall be applicable to all taxable years beginning after June 30, 2008.

May 22, 2008

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate  
State House  
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 696 – *Maryland General Corporation Law – Altering and Updating Corporate Procedures and Miscellaneous Provisions*.

This bill repeals a provision of law requiring a corporation to give specified written notice of the amount, time, and place of payment on subscriptions for stock to each subscriber. The bill also repeals a specified provision of law requiring that a call by the board of directors for payment on subscriptions be uniform as to all stock of the same class. Further, this bill clarifies that stockholders of a corporation formed on or after October 1, 1995, do not have specified preemptive rights unless the charter expressly grants the rights.

House Bill 743, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 696.

Sincerely,

Governor

### **Senate Bill 696**

AN ACT concerning

#### **Maryland General Corporation Law – Altering and Updating Corporate Procedures and Miscellaneous Provisions**

FOR the purpose of repealing a certain provision of law requiring a corporation to give certain written notice of the amount, time, and place of payment on subscriptions for stock to each subscriber; repealing a certain provision of law requiring that a call by the board of directors for payment on subscriptions be uniform as to all stock of the same class; clarifying that stockholders of a corporation formed on or after a certain date do not have certain preemptive rights unless the charter expressly grants the rights, and that stockholders of a corporation formed before that date have certain preemptive rights unless and until expressly changed or terminated by charter amendment; altering the circumstances under which a corporation is required to send certain information to a stockholder; requiring the information to be sent on request of a stockholder and without charge to the stockholder; authorizing a resignation of a director given in a certain manner to provide that it will be effective at a later time or on the occurrence of an event and that it is irrevocable under certain circumstances; authorizing the board of directors of a corporation to delegate to certain committees the power to recommend to stockholders the election of directors; altering the circumstances under which a committee of a board of directors may authorize or fix the terms of certain stock and the terms on which any stock may be issued; altering the definition of “director” as it relates to certain indemnification provisions to include certain directors of corporations

who serve in certain capacities in connection with a limited liability company; limiting certain requirements imposed on making advance payments of expenses for indemnification of a director; authorizing a corporation to hold its annual meeting in the manner provided in its bylaws; requiring a corporation to give notice of an action taken by stockholders without a meeting to each stockholder who, if the action had been taken at a meeting, would have been entitled to notice of the meeting; providing that, for certain corporations, the presence of a certain number of votes at a meeting of stockholders constitutes a quorum under certain circumstances; authorizing articles of merger, consolidation, or share exchange to provide certain information relating to the directors, trustees, and officers of the successor, or of persons acting in similar positions, if the persons in those positions will be changed in the merger, consolidation, or share exchange; making certain stylistic changes; and generally relating to corporations and altering and updating the Maryland General Corporation Law.

BY repealing and reenacting, with amendments,

Article – Corporations and Associations

Section 2–202, 2–205, 2–210(c), 2–406, 2–411(a) and (b), 2–418(a)(3) and (f),  
2–501(c), 2–505(b), and 2–506

Annotated Code of Maryland  
(2007 Replacement Volume)

BY adding to

Article – Corporations and Associations

Section 3–109(f)

Annotated Code of Maryland  
(2007 Replacement Volume)

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

**Article – Corporations and Associations**

2–202.

(a) A subscription for stock of a corporation which is not yet formed is irrevocable for a period of [three] **3** months, unless:

- (1) The subscription agreement provides otherwise; or
- (2) Every subscriber consents to the revocation of the subscription.

(b) Unless the subscription agreement provides otherwise, a subscription is not void or unenforceable solely because less than all of the authorized stock is subscribed for.

(c) [(1)] Unless the subscription agreement provides otherwise, a subscription for stock, whether made before or after the corporation is formed, shall be paid in full or in installments at the times set by the board of directors.

[(2)] The corporation shall give at least ten days written notice of the amount, time, and place of payment to each subscriber at his address as it appears on the records of the corporation.

(3) Any call made by the board of directors for payment on subscriptions shall be uniform as to all stock of the same class.]

2-205.

(a) [Unless] **FOR A CORPORATION INCORPORATED ON OR AFTER OCTOBER 1, 1995, UNLESS** the charter expressly grants such rights to the stockholder, a stockholder does not have any preemptive right to subscribe to:

- (1) Any additional issue of stock; or
- (2) Any security convertible into an additional issue of stock.

(b) **FOR A CORPORATION INCORPORATED BEFORE OCTOBER 1, 1995, A STOCKHOLDER SHALL HAVE PREEMPTIVE RIGHTS AS AND TO THE EXTENT IN EXISTENCE BEFORE OCTOBER 1, 1995, UNLESS AND UNTIL EXPRESSLY CHANGED OR TERMINATED BY CHARTER AMENDMENT.**

(c) (1) A stockholder to whom a preemptive right has been granted may waive the preemptive right.

(2) A written waiver of a preemptive right is irrevocable even though it is not supported by consideration.

2-210.

(c) (1) Unless the charter or bylaws provide otherwise, the board of directors of a corporation may authorize the issue of some or all of the shares of any or all of its classes or series without certificates.

(2) The authorization **UNDER PARAGRAPH (1) OF THIS SUBSECTION** does not affect shares already represented by certificates until they are surrendered to the corporation.

(3) [At the time of issue or transfer of] **FOR** shares **ISSUED** without certificates, **ON REQUEST BY A STOCKHOLDER**, the corporation shall send the stockholder, **WITHOUT CHARGE**, a written statement of the information required on certificates by § 2-211 of this subtitle.

2-406.

(a) The stockholders of a corporation may remove any director, with or without cause, by the affirmative vote of a majority of all the votes entitled to be cast generally for the election of directors, except:

- (1) As provided in subsection (b) of this section;
- (2) As otherwise provided in the charter of the corporation; or
- (3) For a corporation that has elected to be subject to § 3-804(a) of this article.

(b) Unless the charter of the corporation provides otherwise:

(1) If the stockholders of any class or series are entitled separately to elect one or more directors, a director elected by a class or series may not be removed without cause except by the affirmative vote of a majority of all the votes of that class or series;

(2) If a corporation has cumulative voting for the election of directors and less than the entire board is to be removed, a director may not be removed without cause if the votes cast against [his] **THE DIRECTOR'S** removal would be sufficient to elect [him] **THE DIRECTOR** if then cumulatively voted at an election of the entire board of directors, or, if there is more than one class of directors, at an election of the class of directors of which [he] **THE DIRECTOR** is a member; and

(3) If the directors have been divided into classes, a director may not be removed without cause.

**(C) A RESIGNATION OF A DIRECTOR GIVEN IN WRITING OR BY ELECTRONIC TRANSMISSION MAY PROVIDE THAT:**

**(1) THE RESIGNATION WILL BE EFFECTIVE AT A LATER TIME OR ON THE OCCURRENCE OF AN EVENT;**

**(2) THE RESIGNATION IS IRREVOCABLE ON THE OCCURRENCE OF THE EVENT; AND**

**(3) IF THE RESIGNATION WILL BE EFFECTIVE ON THE FAILURE OF THE DIRECTOR TO RECEIVE A SPECIFIED VOTE FOR REELECTION, THE RESIGNATION IS IRREVOCABLE.**

2-411.

(a) The board of directors of a corporation may:

(1) Appoint from among its members an executive committee and other committees composed of one or more directors; and

(2) Delegate to these committees any of the powers of the board of directors, except the power to:

(i) Authorize dividends on stock, except as provided in § 2-309(d) of this title;

(ii) Issue stock other than as provided in subsection (b) of this section;

(iii) Recommend to the stockholders any action which requires stockholder approval, **OTHER THAN THE ELECTION OF DIRECTORS;**

(iv) Amend the bylaws; or

(v) Approve any merger or share exchange which does not require stockholder approval.

(b) If the board of directors has given general authorization for the issuance of stock providing for or establishing a method or procedure for determining the maximum number **OR THE MAXIMUM AGGREGATE OFFERING PRICE** of shares to be issued, a committee of the board, in accordance with that general authorization or any stock option or other plan or program adopted by the board, may authorize or fix the terms of stock subject to classification or reclassification and the terms on which any stock may be issued, including all terms and conditions required or permitted to be established or authorized by the board of directors under §§ 2-203 and 2-208 of this title.

2-418.

(a) (3) "Director" means any person who is or was a director of a corporation and any person who, while a director of a corporation, is or was serving at the request of the corporation as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, **LIMITED LIABILITY COMPANY**, other enterprise, or employee benefit plan.

(f) (1) Reasonable expenses incurred by a director who is a party to a proceeding may be paid or reimbursed by the corporation in advance of the final disposition of the proceeding upon receipt by the corporation of:

(i) A written affirmation by the director of the director's good faith belief that the standard of conduct necessary for indemnification by the corporation as authorized in this section has been met; and

(ii) A written undertaking by or on behalf of the director to repay the amount if it shall ultimately be determined that the standard of conduct has not been met.

(2) The undertaking required by paragraph (1)(ii) of this subsection shall be an unlimited general obligation of the director but need not be secured and may be accepted without reference to financial ability to make the repayment.

(3) Payments under this subsection shall be made as provided by the charter, bylaws, or contract or as specified in subsection [(e)] **(E)(2)** of this section.

2-501.

(c) (1) Except as provided in paragraph (2) of this subsection, the meeting shall be held[:

(i) At] **AT** the time **OR IN THE MANNER** provided in the bylaws[; or

(ii) If the bylaws specify a period not exceeding 31 days during which the meeting may be held, at a time within that period set by the board of directors].

(2) If a corporation is required under [paragraph (1) of] subsection [(b)] **(B)(1)** of this section to hold a meeting of stockholders to elect directors, the meeting shall be held no later than 120 days after the occurrence of the event requiring the meeting.

2-505.

(b) (1) Unless the charter requires otherwise, the holders of any class of stock, other than common stock entitled to vote generally in the election of directors, may take action or consent to any action by delivering a consent in writing or by electronic transmission of the stockholders entitled to cast not less than the minimum number of votes that would be necessary to authorize or take the action at a stockholders meeting if the corporation gives notice of the action to each holder of the class of stock not later than 10 days after the effective time of the action.

(2) If authorized by the charter of a corporation, the holders of common stock entitled to vote generally in the election of directors may take action or consent to any action by delivering a consent in writing or by electronic transmission of the stockholders entitled to cast not less than the minimum number of votes that would be necessary to authorize or take the action at a stockholders meeting if the corporation gives notice of the action **NOT LATER THAN 10 DAYS AFTER THE EFFECTIVE DATE OF THE ACTION** to each holder of the class of common stock [not later than 10 days after the effective date of the action] **AND TO EACH STOCKHOLDER WHO, IF THE ACTION HAD BEEN TAKEN AT A MEETING, WOULD HAVE BEEN ENTITLED TO NOTICE OF THE MEETING.**

2-506.

(a) Unless this article or the charter of a corporation provides otherwise, at a meeting of stockholders:

(1) The presence in person or by proxy of stockholders entitled to cast a majority of all the votes entitled to be cast at the meeting constitutes a quorum; and

(2) A majority of all the votes cast at a meeting at which a quorum is present is sufficient to approve any matter which properly comes before the meeting.

(b) Subject to other provisions of this article, unless the charter of a corporation provides otherwise, if two or more classes of stock are entitled to vote separately on any matter for which this article requires approval by [two thirds] **TWO-THIRDS** of all the votes entitled to be cast, the matter shall be approved by [two thirds] **TWO-THIRDS** of all the votes of each class.

**(C) (1) THIS SUBSECTION APPLIES TO A CORPORATION THAT:**

**(I) HAS A CLASS OF EQUITY SECURITIES REGISTERED UNDER THE SECURITIES EXCHANGE ACT OF 1934 AND AT LEAST THREE DIRECTORS WHO ARE NOT OFFICERS OR EMPLOYEES OF THE CORPORATION; OR**

**(II) IS REGISTERED AS AN OPEN-END INVESTMENT COMPANY UNDER THE INVESTMENT COMPANY ACT OF 1940.**

**(2) UNLESS THE CHARTER OR BYLAWS OF A CORPORATION PROVIDE OTHERWISE, AT A MEETING OF STOCKHOLDERS THE PRESENCE, IN PERSON OR BY PROXY, OF A MAJORITY OF ALL VOTES ENTITLED TO BE CAST AT THE MEETING CONSTITUTES A QUORUM.**

**(3) FOR PURPOSES OF THIS SUBSECTION, A QUORUM PROVISION IN THE BYLAWS OF A CORPORATION MAY NOT BE LESS THAN ONE-THIRD OF THE VOTES ENTITLED TO BE CAST AT THE MEETING.**

3-109.

**(F) ARTICLES OF CONSOLIDATION, MERGER, OR SHARE EXCHANGE MAY PROVIDE:**

**(1) THE NUMBER AND NAMES OF THE DIRECTORS OR TRUSTEES OF THE SUCCESSOR, OR OF PERSONS ACTING IN SIMILAR POSITIONS, WHO WILL HOLD THOSE POSITIONS AS OF THE EFFECTIVE TIME OF THE CONSOLIDATION, MERGER, OR SHARE EXCHANGE, IF THE PERSONS SERVING IN THOSE POSITIONS WILL BE CHANGED IN THE CONSOLIDATION, MERGER, OR SHARE EXCHANGE; AND**

**(2) THE TITLES AND NAMES OF ONE OR MORE OFFICERS OF THE SUCCESSOR, OR OF PERSONS ACTING IN SIMILAR POSITIONS, WHO WILL HOLD THOSE POSITIONS AS OF THE EFFECTIVE TIME OF THE CONSOLIDATION, MERGER, OR SHARE EXCHANGE, IF THE PERSONS SERVING IN THOSE POSITIONS WILL BE CHANGED IN THE CONSOLIDATION, MERGER, OR SHARE EXCHANGE.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2008.

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May 22, 2008

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate  
State House  
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 720 – *Pharmacy Benefits Managers – Pharmacy and Therapeutics Committees*.

This bill establishes requirements for a pharmacy and therapeutics committee of a pharmacy benefits manager. The bill requires a pharmacy benefits manager to ensure that its pharmacy and therapeutics committee has specified policies and procedures to make specified provisions of law applicable to health maintenance organizations.

House Bill 580, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 720.

Sincerely,

Governor

### Senate Bill 720

AN ACT concerning

#### **Pharmacy Benefits Managers – Pharmacy and Therapeutics ~~Committee~~ Committees**

FOR the purpose of establishing certain requirements for ~~members of~~ a pharmacy and therapeutics committee of a pharmacy benefits manager; requiring a pharmacy benefits manager to ensure that its pharmacy and therapeutics committee has certain policies and procedures; requiring a pharmacy benefits manager to disclose information about the composition of its pharmacy and therapeutics committee to a certain person under certain circumstances; prohibiting a pharmacy benefits manager from requiring a pharmacist to participate on its pharmacy and therapeutics committee; authorizing the Maryland Insurance Commissioner to adopt certain regulations; making certain provisions of law applicable to health maintenance organizations; defining certain terms; and generally relating to regulation of pharmacy benefits managers.

BY adding to

Article – Insurance

Section 15–1601 and 15–1602 to be under the new subtitle “Subtitle 16.  
Pharmacy Benefits Managers”

Annotated Code of Maryland

(2006 Replacement Volume and 2007 Supplement)

BY adding to

Article – Health – General  
Section 19-706(ppp)  
Annotated Code of Maryland  
(2005 Replacement Volume and 2007 Supplement)

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

**Article – Insurance**

**SUBTITLE 16. PHARMACY BENEFITS MANAGERS.**

~~15-1601.~~

~~(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED:~~

~~(2) (i) "PHARMACY BENEFITS MANAGEMENT SERVICES" MEANS THE ADMINISTRATION OR MANAGEMENT OF PRESCRIPTION DRUG BENEFITS:~~

~~(ii) "PHARMACY BENEFITS MANAGEMENT SERVICES" INCLUDES:~~

~~1. PROCUREMENT OF PRESCRIPTION DRUGS AT A NEGOTIATED RATE FOR DISPENSATION WITHIN THE STATE;~~

~~2. PROCESSING OF PRESCRIPTION DRUG CLAIMS;~~

~~3. ADMINISTRATION OF PAYMENTS RELATED TO PRESCRIPTION DRUG CLAIMS; AND~~

~~4. NEGOTIATING OR ENTERING INTO CONTRACTUAL ARRANGEMENTS WITH PHARMACY PROVIDERS.~~

~~(3) "PHARMACY BENEFITS MANAGER" MEANS A PERSON THAT PERFORMS PHARMACY BENEFITS MANAGEMENT SERVICES.~~

~~(B) THE PROVISIONS OF THIS SECTION DO NOT APPLY TO A MANAGED CARE ORGANIZATION AUTHORIZED BY TITLE 15, SUBTITLE 1 OF THE HEALTH GENERAL ARTICLE.~~

~~(C) THE PROVISIONS OF THIS SECTION DO NOT APPLY TO AN INSURER, NONPROFIT HEALTH SERVICE PLAN, OR HEALTH MAINTENANCE ORGANIZATION, OR AN AFFILIATE, SUBSIDIARY, OR OTHER RELATED ENTITY OF AN INSURER, NONPROFIT HEALTH SERVICE PLAN, OR HEALTH MAINTENANCE ORGANIZATION ACTING OR REPRESENTING ITSELF AS A PHARMACY BENEFITS MANAGER IF:~~

~~(1) THE INSURER, NONPROFIT HEALTH SERVICE PLAN, OR HEALTH MAINTENANCE ORGANIZATION OR THE AFFILIATE, SUBSIDIARY, OR OTHER RELATED ENTITY OF THE INSURER, NONPROFIT HEALTH SERVICE PLAN, OR HEALTH MAINTENANCE ORGANIZATION DIRECTLY OFFERS OR PROVIDES PHARMACY BENEFITS MANAGEMENT SERVICES; AND~~

~~(2) THE PHARMACY BENEFITS MANAGEMENT SERVICES ARE OFFERED OR PROVIDED ONLY TO ENROLLEES, SUBSCRIBERS, OR INSUREDS WHO ALSO ARE COVERED BY HEALTH BENEFITS OFFERED OR PROVIDED BY THE INSURER, NONPROFIT HEALTH SERVICE PLAN, OR HEALTH MAINTENANCE ORGANIZATION.~~

~~(D) (1) EACH MEMBER OF A PHARMACY AND THERAPEUTICS COMMITTEE OF A PHARMACY BENEFITS MANAGER SHALL BE:~~

~~(I) A PHYSICIAN OR OTHER AUTHORIZED PRESCRIBER, A PHARMACIST, OR A FACULTY MEMBER OF AN ACADEMIC MEDICAL CENTER; AND~~

~~(II) DISCLOSED BY NAME TO THE PURCHASER ON REQUEST.~~

~~(2) A MAJORITY OF COMMITTEE MEMBERS MAY NOT BE EMPLOYED BY THE PHARMACY BENEFITS MANAGER.~~

~~(E) A PHARMACY AND THERAPEUTICS COMMITTEE MEMBER MAY NOT:~~

~~(1) BE AN OFFICER, EMPLOYEE, DIRECTOR, OR AGENT OF A PHARMACEUTICAL MANUFACTURER; OR~~

~~(2) HAVE A FINANCIAL INTEREST IN A PHARMACEUTICAL MANUFACTURER, OTHER THAN OWNERSHIP OF A NOMINAL NUMBER OF SHARES OF THE PHARMACEUTICAL MANUFACTURER'S STOCK, PURCHASED ON A NATIONAL SECURITIES EXCHANGE.~~

~~(F) (1) A PHARMACY BENEFITS MANAGER MAY NOT REQUIRE A PHARMACY TO PARTICIPATE IN A PHARMACY AND THERAPEUTICS COMMITTEE.~~

~~(2) IF A PHARMACY AGREES TO PARTICIPATE IN A PHARMACY AND THERAPEUTICS COMMITTEE, THE PHARMACY BENEFITS MANAGER SHALL REIMBURSE ANY EXPENSES INCURRED BY THE PHARMACY AS A RESULT OF ITS PARTICIPATION.~~

15-1601.

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

(B) "BENEFICIARY" MEANS AN INDIVIDUAL WHO RECEIVES PRESCRIPTION DRUG COVERAGE OR BENEFITS FROM A PURCHASER.

(C) "ERISA" HAS THE MEANING STATED IN § 8-301 OF THIS ARTICLE.

(D) "FORMULARY" MEANS A LIST OF PRESCRIPTION DRUGS USED BY A PURCHASER.

(E) "NONPROFIT HEALTH MAINTENANCE ORGANIZATION" HAS THE MEANING STATED IN § 6-121(A) OF THIS ARTICLE.

(F) (1) "PHARMACY BENEFITS MANAGEMENT SERVICES" MEANS:

(I) THE PROCUREMENT OF PRESCRIPTION DRUGS AT A NEGOTIATED RATE FOR DISPENSATION WITHIN THE STATE TO BENEFICIARIES;

(II) THE ADMINISTRATION OR MANAGEMENT OF PRESCRIPTION DRUG COVERAGE PROVIDED BY A PURCHASER FOR BENEFICIARIES; AND

(III) ANY OF THE FOLLOWING SERVICES PROVIDED WITH REGARD TO THE ADMINISTRATION OF PRESCRIPTION DRUG COVERAGE:

1. MAIL SERVICE PHARMACY;
2. CLAIMS PROCESSING, RETAIL NETWORK MANAGEMENT AND PAYMENT OF CLAIMS TO PHARMACIES FOR PRESCRIPTION DRUGS DISPENSED TO BENEFICIARIES;
3. CLINICAL FORMULARY DEVELOPMENT AND MANAGEMENT SERVICES;
4. REBATE CONTRACTING AND ADMINISTRATION;

5. PATIENT COMPLIANCE, THERAPEUTIC INTERVENTION, AND GENERIC SUBSTITUTION PROGRAMS; OR

6. DISEASE MANAGEMENT PROGRAMS.

(2) "PHARMACY BENEFITS MANAGEMENT SERVICES" DOES NOT INCLUDE ANY SERVICE PROVIDED BY A NONPROFIT HEALTH MAINTENANCE ORGANIZATION THAT OPERATES AS A GROUP MODEL, PROVIDED THAT THE SERVICE:

(I) IS PROVIDED SOLELY TO A MEMBER OF THE NONPROFIT HEALTH MAINTENANCE ORGANIZATION; AND

(II) IS FURNISHED THROUGH THE INTERNAL PHARMACY OPERATIONS OF THE NONPROFIT HEALTH MAINTENANCE ORGANIZATION.

(G) "PHARMACY BENEFITS MANAGER" MEANS A PERSON THAT PERFORMS PHARMACY BENEFITS MANAGEMENT SERVICES.

(H) "PHARMACY AND THERAPEUTICS COMMITTEE" MEANS A COMMITTEE ESTABLISHED BY A PHARMACY BENEFITS MANAGER TO:

(1) OBJECTIVELY APPRAISE AND EVALUATE PRESCRIPTION DRUGS; AND

(2) MAKE RECOMMENDATIONS TO A PURCHASER REGARDING THE SELECTION OF DRUGS FOR THE PURCHASER'S FORMULARY.

(I) (1) "PURCHASER" MEANS THE STATE EMPLOYEE AND RETIREE HEALTH AND WELFARE BENEFITS PROGRAM, AN INSURER, A NONPROFIT HEALTH SERVICE PLAN, OR A HEALTH MAINTENANCE ORGANIZATION THAT:

(I) PROVIDES PRESCRIPTION DRUG COVERAGE OR BENEFITS IN THE STATE; AND

(II) ENTERS INTO AN AGREEMENT WITH A PHARMACY BENEFITS MANAGER FOR THE PROVISION OF PHARMACY BENEFITS MANAGEMENT SERVICES.

(2) "PURCHASER" DOES NOT INCLUDE A PERSON THAT PROVIDES PRESCRIPTION DRUG COVERAGE OR BENEFITS THROUGH PLANS SUBJECT TO ERISA AND DOES NOT PROVIDE PRESCRIPTION DRUG COVERAGE OR BENEFITS

THROUGH INSURANCE, UNLESS THE PERSON IS A MULTIPLE EMPLOYER WELFARE ARRANGEMENT AS DEFINED IN § 514(B)(6)(A)(II) OF ERISA.

15-1602.

(A) A PHARMACY AND THERAPEUTICS COMMITTEE ESTABLISHED BY A PHARMACY BENEFITS MANAGER SHALL MEET THE REQUIREMENTS OF THIS SECTION.

(B) (1) A PHARMACY AND THERAPEUTICS COMMITTEE SHALL:

(I) INCLUDE CLINICAL SPECIALISTS THAT REPRESENT THE NEEDS OF A PURCHASER'S BENEFICIARIES; AND

(II) INCLUDE AT LEAST ONE PRACTICING PHARMACIST AND ONE PRACTICING PHYSICIAN WHO ARE INDEPENDENT OF ANY DEVELOPER OR MANUFACTURER OF PRESCRIPTION DRUGS.

(2) EACH MEMBER OF A PHARMACY AND THERAPEUTICS COMMITTEE SHALL SIGN A CONFLICT OF INTEREST STATEMENT UPDATED AT LEAST ANNUALLY DISCLOSING ANY ECONOMIC INTEREST OR RELATIONSHIP THAT COULD INFLUENCE THE PHARMACY AND THERAPEUTICS COMMITTEE'S DECISIONS.

(3) A MAJORITY OF THE MEMBERS OF A PHARMACY AND THERAPEUTICS COMMITTEE SHALL BE PRACTICING PHYSICIANS OR PRACTICING PHARMACISTS.

(C) A PHARMACY BENEFITS MANAGER SHALL ENSURE THAT ITS PHARMACY AND THERAPEUTICS COMMITTEE HAS:

(1) POLICIES AND PROCEDURES, INCLUDING DISCLOSURE REQUIREMENTS, TO ADDRESS POTENTIAL CONFLICTS OF INTEREST THAT MEMBERS OF THE PHARMACY AND THERAPEUTICS COMMITTEE MAY HAVE WITH DEVELOPERS OR MANUFACTURERS OF PRESCRIPTION DRUGS;

(2) A PROCESS TO EVALUATE MEDICAL AND SCIENTIFIC EVIDENCE CONCERNING THE SAFETY AND EFFECTIVENESS OF PRESCRIPTION DRUGS, INCLUDING AVAILABLE COMPARATIVE INFORMATION ON CLINICALLY SIMILAR PRESCRIPTION DRUGS, WHEN DECIDING WHAT PRESCRIPTION DRUGS TO RECOMMEND TO INCLUDE ON A FORMULARY;

(3) A PROCESS TO EVALUATE MEDICAL AND SCIENTIFIC EVIDENCE CONCERNING THE SAFETY AND EFFECTIVENESS OF PRESCRIPTION DRUGS WHEN RECOMMENDING UTILIZATION REVIEW REQUIREMENTS, DOSE RESTRICTIONS, AND STEP THERAPY REQUIREMENTS; AND

(4) A PROCESS TO ENABLE THE PHARMACY AND THERAPEUTICS COMMITTEE TO CONSIDER THE NEED TO RECOMMEND A FORMULARY CHANGE TO A PURCHASER IN A TIMELY MANNER BUT AT LEAST ANNUALLY.

(D) THE COMMISSIONER MAY CONSIDER A PHARMACY AND THERAPEUTICS COMMITTEE OF A PHARMACY BENEFITS MANAGER AS HAVING MET THE REQUIREMENTS OF SUBSECTIONS (B) AND (C) OF THIS SECTION IF THE PHARMACY BENEFITS MANAGER HAS OBTAINED ACCREDITATION FROM AN ACCREDITING ORGANIZATION APPROVED BY THE COMMISSIONER.

(E) ON REQUEST OF A PURCHASER FOR WHICH THE PHARMACY AND THERAPEUTICS COMMITTEE MAKES RECOMMENDATIONS, A PHARMACY BENEFITS MANAGER SHALL DISCLOSE INFORMATION ABOUT THE COMPOSITION OF ITS PHARMACY AND THERAPEUTICS COMMITTEE TO THE PURCHASER.

(F) A PHARMACY BENEFITS MANAGER MAY NOT REQUIRE A PHARMACIST TO PARTICIPATE ON ITS PHARMACY AND THERAPEUTICS COMMITTEE.

~~(G) ON OR BEFORE APRIL 1, 2009, THE~~ THE COMMISSIONER SHALL MAY ADOPT REGULATIONS TO IMPLEMENT THIS ~~SECTION~~ SUBTITLE.

~~(H) THE COMMISSIONER MAY ASSESS A CIVIL PENALTY NOT EXCEEDING \$5,000 FOR EACH VIOLATION OF THIS SECTION.~~

#### Article - Health - General

19-706.

~~(PPP) THE PROVISIONS OF § 15-1601~~ TITLE 15, SUBTITLE 16 OF THE INSURANCE ARTICLE APPLY TO HEALTH MAINTENANCE ORGANIZATIONS.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2008.

May 22, 2008

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate  
State House  
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 725 – *Pharmacy Benefits Managers – Contracts with Pharmacies and Pharmacists*.

This bill requires a pharmacy benefits manager to disclose specified information to a pharmacy or pharmacist at the time of entering into a contract with the pharmacy or pharmacist and also at a specified time before a contract change. This bill also requires a pharmacy benefits manager to establish a specified appeals process.

House Bill 257, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 725.

Sincerely,

Governor

**Senate Bill 725**

AN ACT concerning

**Pharmacy Benefits Managers – Contracts with Pharmacies and Pharmacists**

FOR the purpose of requiring a pharmacy benefits manager to ~~enter into certain contracts with pharmacy providers under certain circumstances; specifying certain requirements of the contracts~~ disclose certain information to a pharmacy or a pharmacist at the time of entering into a contract with the pharmacy or pharmacist and at a certain time before a contract change; specifying provisions that apply to audits carried out by pharmacy benefits managers of pharmacies or pharmacy claims, pharmacists, and claims of pharmacies and pharmacists; making certain provisions of law applicable to pharmacy benefits managers; requiring a pharmacy benefits manager to establish a certain appeals process;

requiring a pharmacy benefits manager to establish a certain process for review of a failure to pay the contractual reimbursement amount of certain claims; making certain provisions of law applicable to health maintenance organizations; providing for the application of this Act; ~~providing certain penalties;~~ providing that this Act may not be construed to limit the applicability of certain provisions of law under certain circumstances; defining certain terms; and generally relating to regulation of pharmacy benefits managers' contracts with pharmacies and pharmacists.

BY adding to

Article – Insurance

Section 15-1601 through 15-1603 to be under the new subtitle “Subtitle 16. Pharmacy Benefits Managers”

Annotated Code of Maryland

(2006 Replacement Volume and 2007 Supplement)

BY adding to

Article – Health – General

Section 19-706(ppp)

Annotated Code of Maryland

(2005 Replacement Volume and 2007 Supplement)

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

### Article – Insurance

#### SUBTITLE 16. PHARMACY BENEFITS MANAGERS.

#### 15-1601.

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

~~(2) “EXTRAPOLATION AUDIT” MEANS AN AUDIT OF A SAMPLE OF PRESCRIPTION DRUG BENEFIT CLAIMS SUBMITTED BY A PHARMACY PROVIDER TO A PHARMACY BENEFITS MANAGER OR ITS DESIGNATED CONTRACTOR OR AGENT THAT IS USED TO ESTIMATE AUDIT RESULTS FOR A LARGER BATCH OR GROUP OF CLAIMS.~~

~~(3) (i) “PHARMACY BENEFITS MANAGEMENT SERVICES” MEANS THE ADMINISTRATION OR MANAGEMENT OF PRESCRIPTION DRUG BENEFITS.~~

~~(H) "PHARMACY BENEFITS MANAGEMENT SERVICES" INCLUDES:~~

~~1. PROCUREMENT OF PRESCRIPTION DRUGS AT A NEGOTIATED RATE FOR DISPENSATION WITHIN THE STATE;~~

~~2. PROCESSING OF PRESCRIPTION DRUG CLAIMS;~~

~~3. ADMINISTRATION OF PAYMENTS RELATED TO PRESCRIPTION DRUG CLAIMS; AND~~

~~4. NEGOTIATING OR ENTERING INTO CONTRACTUAL ARRANGEMENTS WITH PHARMACY PROVIDERS.~~

~~(4) "PHARMACY BENEFITS MANAGER" MEANS A PERSON THAT PERFORMS PHARMACY BENEFITS MANAGEMENT SERVICES.~~

~~(5) "PHARMACY PROVIDER" MEANS A PHARMACY OR A PHARMACIST.~~

~~(6) (i) "PURCHASER" MEANS A PERSON THAT ENTERS INTO AN AGREEMENT WITH A PHARMACY BENEFITS MANAGER FOR THE PROVISION OF PHARMACY BENEFITS MANAGEMENT SERVICES.~~

~~(ii) "PURCHASER" INCLUDES THE STATE.~~

~~(B) THE PROVISIONS OF THIS SECTION DO NOT APPLY TO A MANAGED CARE ORGANIZATION AUTHORIZED BY TITLE 15, SUBTITLE 1 OF THE HEALTH GENERAL ARTICLE.~~

~~(C) IF THE PHARMACY BENEFITS MANAGEMENT SERVICES PERFORMED BY A PHARMACY BENEFITS MANAGER FOR A PURCHASER INCLUDE NEGOTIATING OR ENTERING INTO CONTRACTUAL ARRANGEMENTS WITH PHARMACY PROVIDERS, BEFORE THE PHARMACY BENEFITS MANAGER MAY PROVIDE PHARMACY BENEFITS MANAGEMENT SERVICES FOR THE PURCHASER, THE PHARMACY BENEFITS MANAGER SHALL ENTER INTO ANY NECESSARY WRITTEN CONTRACTS WITH PHARMACY PROVIDERS.~~

~~(D) A CONTRACT WITH A PHARMACY PROVIDER SHALL REQUIRE THE PHARMACY BENEFITS MANAGER TO:~~

~~(1) DISCLOSE TO THE PHARMACY PROVIDER:~~

~~(I) THE TERMS, CONDITIONS, FEES, BENEFIT DESIGNS, PROCESS, AND PROCEDURES FOR ACCESSING THE PHARMACY BENEFITS MANAGEMENT SERVICES PROVIDED BY THE PHARMACY BENEFITS MANAGER; AND~~

~~(II) THE PHARMACY BENEFITS MANAGER'S PROCEDURES FOR HANDLING DISPUTES; AND~~

~~(2) PROVIDE AT LEAST 30 DAYS' WRITTEN NOTICE TO THE PHARMACY PROVIDER OF BENEFIT CHANGES, INCLUDING ADDITIONS OR DELETIONS TO COVERED PRESCRIPTION DRUGS, WITH THE EXCEPTION OF NEW DRUGS APPROVED BY THE U.S. FOOD AND DRUG ADMINISTRATION.~~

~~(E) THE FOLLOWING PROVISIONS SHALL APPLY TO AUDITS OF PHARMACIES OR CLAIMS FROM PHARMACIES CARRIED OUT BY PHARMACY BENEFITS MANAGERS OR THE AGENTS OF PHARMACY BENEFITS MANAGERS:~~

~~(1) A PHARMACY BENEFITS MANAGER OR THE AGENT OF A PHARMACY BENEFITS MANAGER SHALL PROVIDE WRITTEN NOTICE TO A PHARMACY AT LEAST 2 WEEKS BEFORE BEGINNING THE AUDIT;~~

~~(2) ONLY CLAIMS THAT HAVE BEEN SPECIFICALLY REQUESTED FOR AUDITING MAY BE SUBJECT TO AN AUDIT;~~

~~(3) A PHARMACY BENEFITS MANAGER MAY NOT REQUIRE EXTRAPOLATION AUDITS AS A CONDITION OF A CONTRACT OR PARTICIPATION IN A NETWORK OR PROGRAM OF THE PHARMACY BENEFITS MANAGER;~~

~~(4) (I) ANY AUDIT FINDING OF AN OVERPAYMENT OR UNDERPAYMENT SHALL BE BASED ON AN ACTUAL OVERPAYMENT OR UNDERPAYMENT FOUND IN CLAIMS SUBJECT TO AUDIT; AND~~

~~(II) THE OVERPAYMENT OR UNDERPAYMENT MAY NOT BE A PROJECTED AMOUNT BASED ON THE NUMBER OF PATIENTS WITH A SIMILAR DIAGNOSIS WHO PURCHASE DRUGS AT THE PHARMACY OR ON THE NUMBER OF SIMILAR ORDERS OR REFILLS FOR SIMILAR DRUGS;~~

~~(5) A CLAIM MAY NOT BE SUBJECT TO AN AUDIT MORE THAN 1 YEAR AFTER THE CLAIM WAS ADJUDICATED BY THE PHARMACY BENEFITS MANAGER;~~

~~(6) A PHARMACY BENEFITS MANAGER MAY NOT RECOUP BY SETOFF ANY MONEYS THAT THE PHARMACY BENEFITS MANAGER CONTENDS~~

~~ARE DUE AS A RESULT OF AN AUDIT UNTIL THE PHARMACY HAS THE OPPORTUNITY TO REVIEW AND CONCUR WITH THE AUDIT FINDINGS;~~

~~(7) ANY MONEYS DUE TO A PHARMACY BENEFITS MANAGER OR A PHARMACY AS A RESULT OF AN AUDIT SHALL BE REMITTED WITHIN 30 DAYS OF NOTIFICATION; AND~~

~~(8) IF THE PHARMACY BENEFITS MANAGER AND THE PHARMACY CANNOT AGREE ON THE MONEYS DUE AS A RESULT OF AN AUDIT, THE COMMISSIONER SHALL REVIEW THE AUDIT AND DETERMINE IF ANY MONEYS ARE DUE.~~

~~(F) ON OR BEFORE APRIL 1, 2009, THE COMMISSIONER SHALL ADOPT REGULATIONS TO IMPLEMENT THIS SECTION.~~

~~(G) (1) THE COMMISSIONER MAY ASSESS A CIVIL PENALTY NOT EXCEEDING \$10,000 FOR EACH VIOLATION OF THIS SECTION.~~

~~(2) IN ADDITION TO OR INSTEAD OF ASSESSING A CIVIL PENALTY, THE COMMISSIONER MAY REQUIRE THE PHARMACY BENEFITS MANAGER TO MAKE RESTITUTION TO ANY PERSON WHO HAS SUFFERED FINANCIAL INJURY BECAUSE OF THE VIOLATION OF THIS SECTION.~~

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

(B) "BENEFICIARY" MEANS AN INDIVIDUAL WHO RECEIVES PRESCRIPTION DRUG COVERAGE OR BENEFITS FROM A PURCHASER.

(C) "ERISA" HAS THE MEANING STATED IN § 8-301 OF THIS ARTICLE.

(D) "NONPROFIT HEALTH MAINTENANCE ORGANIZATION" HAS THE MEANING STATED IN § 6-121(A) OF THIS ARTICLE.

(E) "PHARMACIST" HAS THE MEANING STATED IN § 12-101 OF THE HEALTH OCCUPATIONS ARTICLE.

(F) "PHARMACY" HAS THE MEANING STATED IN § 12-101 OF THE HEALTH OCCUPATIONS ARTICLE.

(G) (1) "PHARMACY BENEFITS MANAGEMENT SERVICES" MEANS:

(I) THE PROCUREMENT OF PRESCRIPTION DRUGS AT A NEGOTIATED RATE FOR DISPENSATION WITHIN THE STATE TO BENEFICIARIES;

(II) THE ADMINISTRATION OR MANAGEMENT OF PRESCRIPTION DRUG COVERAGE PROVIDED BY A PURCHASER FOR BENEFICIARIES; AND

(III) ANY OF THE FOLLOWING SERVICES PROVIDED WITH REGARD TO THE ADMINISTRATION OF PRESCRIPTION DRUG COVERAGE:

1. MAIL SERVICE PHARMACY;
2. CLAIMS PROCESSING, RETAIL NETWORK MANAGEMENT, AND PAYMENT OF CLAIMS TO PHARMACIES FOR PRESCRIPTION DRUGS DISPENSED TO BENEFICIARIES;
3. CLINICAL FORMULARY DEVELOPMENT AND MANAGEMENT SERVICES;
4. REBATE CONTRACTING AND ADMINISTRATION;
5. PATIENT COMPLIANCE, THERAPEUTIC INTERVENTION, AND GENERIC SUBSTITUTION PROGRAMS; OR
6. DISEASE MANAGEMENT PROGRAMS.

(2) "PHARMACY BENEFITS MANAGEMENT SERVICES" DOES NOT INCLUDE ANY SERVICE PROVIDED BY A NONPROFIT HEALTH MAINTENANCE ORGANIZATION THAT OPERATES AS A GROUP MODEL, PROVIDED THAT THE SERVICE:

(i) IS PROVIDED SOLELY TO A MEMBER OF THE NONPROFIT HEALTH MAINTENANCE ORGANIZATION; AND

(ii) IS FURNISHED THROUGH THE INTERNAL PHARMACY OPERATIONS OF THE NONPROFIT HEALTH MAINTENANCE ORGANIZATION.

(H) "PHARMACY BENEFITS MANAGER" MEANS A PERSON THAT PERFORMS PHARMACY BENEFITS MANAGEMENT SERVICES.

(i) (1) "PURCHASER" MEANS THE STATE EMPLOYEE AND RETIREE HEALTH AND WELFARE BENEFITS PROGRAM, AN INSURER, A NONPROFIT HEALTH SERVICE PLAN, OR A HEALTH MAINTENANCE ORGANIZATION THAT:

(I) PROVIDES PRESCRIPTION DRUG COVERAGE OR BENEFITS IN THE STATE; AND

(II) ENTERS INTO AN AGREEMENT WITH A PHARMACY BENEFITS MANAGER FOR THE PROVISION OF PHARMACY BENEFITS MANAGEMENT SERVICES.

(2) "PURCHASER" DOES NOT INCLUDE A PERSON THAT PROVIDES PRESCRIPTION DRUG COVERAGE OR BENEFITS THROUGH PLANS SUBJECT TO ERISA AND THAT DOES NOT PROVIDE PRESCRIPTION DRUG COVERAGE OR BENEFITS THROUGH INSURANCE, UNLESS THE PERSON IS A MULTIPLE EMPLOYER WELFARE ARRANGEMENT AS DEFINED IN § 514(B)(6)(A)(II) OF ERISA.

15-1602.

AT THE TIME OF ENTERING INTO A CONTRACT WITH A PHARMACY OR A PHARMACIST, AND AT LEAST 30 WORKING DAYS BEFORE ANY CONTRACT CHANGE, A PHARMACY BENEFITS MANAGER SHALL DISCLOSE TO THE PHARMACY OR PHARMACIST:

(1) THE APPLICABLE TERMS, CONDITIONS, AND REIMBURSEMENT RATES;

(2) THE PROCESS AND PROCEDURES FOR VERIFYING PHARMACY BENEFITS AND BENEFICIARY ELIGIBILITY;

(3) THE DISPUTE RESOLUTION AND AUDIT APPEALS PROCESS;  
AND

(4) THE PROCESS AND PROCEDURES FOR VERIFYING THE PRESCRIPTION DRUGS INCLUDED ON THE FORMULARIES USED BY THE PHARMACY BENEFITS MANAGER.

15-1603.

(A) THIS SECTION DOES NOT APPLY TO AN AUDIT THAT INVOLVES PROBABLE OR POTENTIAL FRAUD OR WILLFUL MISREPRESENTATION BY A PHARMACY OR PHARMACIST.

(B) A PHARMACY BENEFITS MANAGER SHALL CONDUCT AN AUDIT OF A PHARMACY OR PHARMACIST UNDER CONTRACT WITH THE PHARMACY BENEFITS MANAGER IN ACCORDANCE WITH THIS SECTION.

(C) A PHARMACY BENEFITS MANAGER MAY NOT SCHEDULE AN ONSITE AUDIT TO BEGIN DURING THE FIRST 5 CALENDAR DAYS OF A MONTH UNLESS REQUESTED BY THE PHARMACY OR PHARMACIST.

(D) WHEN CONDUCTING AN AUDIT, A PHARMACY BENEFITS MANAGER SHALL:

(1) IF THE AUDIT IS ONSITE, PROVIDE WRITTEN NOTICE TO THE PHARMACY OR PHARMACIST AT LEAST 2 WEEKS BEFORE CONDUCTING THE INITIAL ONSITE AUDIT FOR EACH AUDIT CYCLE;

(2) EMPLOY THE SERVICES OF A PHARMACIST IF THE AUDIT REQUIRES THE CLINICAL OR PROFESSIONAL JUDGMENT OF A PHARMACIST;

(3) FOR PURPOSES OF VALIDATING THE PHARMACY RECORD WITH RESPECT TO ORDERS OR REFILLS OF A DRUG THAT IS A CONTROLLED DANGEROUS SUBSTANCE, ALLOW THE PHARMACY OR PHARMACIST TO USE HOSPITAL OR PHYSICIAN RECORDS THAT ARE:

(i) WRITTEN; OR

(ii) TRANSMITTED ELECTRONICALLY;

(4) AUDIT EACH PHARMACY AND PHARMACIST UNDER THE SAME STANDARDS AND PARAMETERS AS OTHER SIMILARLY SITUATED PHARMACIES OR PHARMACISTS AUDITED BY THE PHARMACY BENEFITS MANAGER;

(5) ONLY AUDIT CLAIMS SUBMITTED OR ADJUDICATED WITHIN THE 2-YEAR PERIOD IMMEDIATELY PRECEDING THE AUDIT, UNLESS A LONGER PERIOD IS PERMITTED UNDER FEDERAL OR STATE LAW;

(6) DELIVER THE PRELIMINARY AUDIT REPORT TO THE PHARMACY OR PHARMACIST WITHIN 120 CALENDAR DAYS AFTER THE COMPLETION OF THE AUDIT, WITH REASONABLE EXTENSIONS ALLOWED;

(7) IN ACCORDANCE WITH SUBSECTION (G) OF THIS SECTION, ALLOW A PHARMACY OR PHARMACIST TO PRODUCE DOCUMENTATION TO ADDRESS ANY DISCREPANCY FOUND DURING THE AUDIT; AND

(8) DELIVER THE FINAL AUDIT REPORT TO THE PHARMACY OR PHARMACIST:

(i) WITHIN 6 MONTHS AFTER DELIVERY OF THE PRELIMINARY AUDIT REPORT IF THE PHARMACY OR PHARMACIST DOES NOT REQUEST AN INTERNAL APPEAL UNDER SUBSECTION (G) OF THIS SECTION; OR

(ii) WITHIN 30 DAYS AFTER THE CONCLUSION OF THE INTERNAL APPEALS PROCESS UNDER SUBSECTION (G) OF THIS SECTION IF THE PHARMACY OR PHARMACIST REQUESTS AN INTERNAL APPEAL.

(E) A PHARMACY BENEFITS MANAGER MAY NOT USE THE ACCOUNTING PRACTICE OF EXTRAPOLATION TO CALCULATE OVERPAYMENTS OR UNDERPAYMENTS.

(F) THE RECOUPMENT OF A CLAIMS PAYMENT FROM A PHARMACY OR PHARMACIST BY A PHARMACY BENEFITS MANAGER SHALL BE BASED ON AN ACTUAL OVERPAYMENT OR DENIAL OF AN AUDITED CLAIM UNLESS THE PROJECTED OVERPAYMENT OR DENIAL IS PART OF A SETTLEMENT AGREED TO BY THE PHARMACY OR PHARMACIST.

(G) (1) A PHARMACY BENEFITS MANAGER SHALL ESTABLISH AN INTERNAL APPEALS PROCESS UNDER WHICH A PHARMACY OR PHARMACIST MAY APPEAL ANY DISPUTED CLAIM IN A PRELIMINARY AUDIT REPORT.

(2) UNDER THE INTERNAL APPEALS PROCESS, A PHARMACY BENEFITS MANAGER SHALL ALLOW A PHARMACY OR PHARMACIST TO REQUEST AN INTERNAL APPEAL WITHIN 30 WORKING DAYS AFTER RECEIPT OF THE PRELIMINARY AUDIT REPORT, WITH REASONABLE EXTENSIONS ALLOWED.

(3) THE PHARMACY BENEFITS MANAGER SHALL INCLUDE IN ITS PRELIMINARY AUDIT REPORT A WRITTEN EXPLANATION OF THE INTERNAL APPEALS PROCESS, INCLUDING THE NAME, ADDRESS, AND TELEPHONE NUMBER OF THE PERSON TO WHOM AN INTERNAL APPEAL SHOULD BE ADDRESSED.

(4) THE DECISION OF THE PHARMACY BENEFITS MANAGER ON AN APPEAL OF A DISPUTED CLAIM IN A PRELIMINARY AUDIT REPORT BY A PHARMACY OR PHARMACIST SHALL BE REFLECTED IN THE FINAL AUDIT REPORT.

(5) THE PHARMACY BENEFITS MANAGER SHALL DELIVER THE FINAL AUDIT REPORT TO THE PHARMACY OR PHARMACIST WITHIN 30 CALENDAR DAYS AFTER CONCLUSION OF THE INTERNAL APPEALS PROCESS.

(H) (1) A PHARMACY BENEFITS MANAGER MAY NOT RECOUP BY SETOFF ANY MONEYS FOR AN OVERPAYMENT OR DENIAL OF A CLAIM UNTIL 30 WORKING DAYS AFTER THE DATE THE FINAL AUDIT REPORT HAS BEEN PROVIDED TO THE PHARMACY OR PHARMACIST.

(2) A PHARMACY BENEFITS MANAGER SHALL REMIT ANY MONEY DUE TO A PHARMACY OR PHARMACIST AS A RESULT OF AN UNDERPAYMENT OF A CLAIM WITHIN 30 WORKING DAYS AFTER THE FINAL AUDIT REPORT HAS BEEN DELIVERED TO THE PHARMACY OR PHARMACIST.

(3) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (1) OF THIS SUBSECTION, A PHARMACY BENEFITS MANAGER MAY WITHHOLD FUTURE PAYMENTS BEFORE THE DATE THE FINAL AUDIT REPORT HAS BEEN PROVIDED TO THE PHARMACY OR PHARMACIST IF THE IDENTIFIED DISCREPANCY FOR ALL DISPUTED CLAIMS IN A PRELIMINARY AUDIT REPORT FOR AN INDIVIDUAL AUDIT EXCEEDS \$25,000.

(I) (1) A PHARMACY BENEFITS MANAGER SHALL ESTABLISH A REASONABLE INTERNAL REVIEW PROCESS FOR A PHARMACY TO REQUEST THE REVIEW OF A FAILURE TO PAY THE CONTRACTUAL REIMBURSEMENT AMOUNT OF A SUBMITTED CLAIM.

(2) A PHARMACY MAY REQUEST A PHARMACY BENEFITS MANAGER TO REVIEW A FAILURE TO PAY THE CONTRACTUAL REIMBURSEMENT AMOUNT OF A CLAIM WITHIN 180 CALENDAR DAYS AFTER THE DATE THE SUBMITTED CLAIM WAS PAID BY THE PHARMACY BENEFITS MANAGER.

(3) THE PHARMACY BENEFITS MANAGER SHALL GIVE WRITTEN NOTICE OF ITS REVIEW DECISION WITHIN 90 CALENDAR DAYS AFTER RECEIPT OF A REQUEST FOR REVIEW FROM A PHARMACY UNDER THIS SUBSECTION.

(4) IF THE PHARMACY BENEFITS MANAGER DETERMINES THROUGH THE INTERNAL REVIEW PROCESS ESTABLISHED UNDER PARAGRAPH (1) OF THIS SUBSECTION THAT THE PHARMACY BENEFITS MANAGER UNDERPAID A PHARMACY, THE PHARMACY BENEFITS MANAGER SHALL PAY ANY MONEY DUE TO THE PHARMACY WITHIN 30 WORKING DAYS AFTER COMPLETION OF THE INTERNAL REVIEW PROCESS.

(5) THIS SUBSECTION MAY NOT BE CONSTRUED TO LIMIT THE ABILITY OF A PHARMACY AND A PHARMACY BENEFITS MANAGER TO CONTRACTUALLY AGREE THAT A PHARMACY MAY HAVE MORE THAN 180 CALENDAR DAYS TO REQUEST AN INTERNAL REVIEW OF A FAILURE OF THE

PHARMACY BENEFITS MANAGER TO PAY THE CONTRACTUAL AMOUNT OF A SUBMITTED CLAIM.

(J) ON REQUEST OF THE COMMISSIONER OR THE COMMISSIONER'S DESIGNEE, A PHARMACY BENEFITS MANAGER SHALL PROVIDE A COPY OF ITS AUDIT PROCEDURES OR INTERNAL APPEALS PROCESS.

Article - Health - General

19-706.

(PPP) THE PROVISIONS OF TITLE 15, SUBTITLE 16 OF THE INSURANCE ARTICLE APPLY TO HEALTH MAINTENANCE ORGANIZATIONS.

SECTION 2. AND BE IT FURTHER ENACTED, That the provisions of § 15-1602 of the Insurance Article, as enacted by Section 1 of this Act, shall apply to contracts entered into or renewed between a pharmacist or pharmacy and a pharmacy benefits manager on or after January 1, 2009.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall apply to audits conducted by pharmacy benefits managers on or after January 1, 2009.

SECTION 4. AND BE IT FURTHER ENACTED, That nothing in this Act shall be construed to limit the applicability of §§ 15-1008, 15-1009(b), 27-303(2), 27-304(4), and 27-304(15) of the Insurance Article to claim denials made by or on behalf of an insurer, nonprofit health service plan, dental plan organization, or health maintenance organization.

SECTION ~~2~~ 5. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2008.

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May 22, 2008

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate  
State House  
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 741 – *Calvert County – Public Facilities Bonds*.

This bill authorizes and empowers the County Commissioners of Calvert County, from time to time, to borrow not more than \$8,895,000 in order to finance the construction, improvement, or development of public facilities in Calvert County, and to effect such borrowing by the issuance and sale of its general obligation bonds.

House Bill 467, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 741.

Sincerely,

Governor

### **Senate Bill 741**

AN ACT concerning

### **Calvert County – Public Facilities Bonds**

FOR the purpose of authorizing and empowering the County Commissioners of Calvert County, from time to time, to borrow not more than \$8,895,000 to finance the construction, improvement, or development of certain public facilities in Calvert County, as herein defined, and to effect such borrowing by the issuance and sale at public or private sale of its general obligation bonds in like par amount; empowering the County to fix and determine, by resolution, the form, tenor, interest rate or rates or method of determining the same, terms, conditions, maturities, and all other details incident to the issuance and sale of the bonds; empowering the County to issue refunding bonds for the purchase or redemption of bonds in advance of maturity; empowering and directing the County to levy, impose, and collect, annually, ad valorem taxes in rate and amount sufficient to provide funds for the payment of the maturing principal of and interest on the bonds; exempting the bonds and refunding bonds and the interest thereon and any income derived therefrom from all State, county, municipal, and other taxation in the State of Maryland; providing that nothing in this Act shall prevent the County from authorizing the issuance and sale of bonds the interest on which is not excludable from gross income for federal

income tax purposes; and generally relating to the issuance and sale of such bonds.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That, as used herein, the term "County" means the body politic and corporate of the State of Maryland known as the County Commissioners of Calvert County, and the term "construction, improvement, or development of public facilities" means the acquisition, alteration, construction, reconstruction, enlargement, equipping, expansion, extension, improvement, rehabilitation, renovation, upgrading, and repair of public buildings and facilities, and issuance costs together with the costs of acquiring land or interests in land as well as any related architectural, financial, legal, planning, or engineering services.

SECTION 2. AND BE IT FURTHER ENACTED, That the County is hereby authorized to finance any part or all of the costs of the public facilities described in Section 1 of this Act, and to borrow money and incur indebtedness for that purpose, at one time or from time to time, in an amount not exceeding, in the aggregate, \$8,895,000 and to evidence such borrowing by the issuance and sale upon its full faith and credit of general obligation bonds in like par amount, which may be issued at one time or from time to time, in one or more groups or series, as the County may determine.

SECTION 3. AND BE IT FURTHER ENACTED, That the bonds shall be issued in accordance with a resolution of the County, which shall describe generally the construction, improvement, or development of public facilities for which the proceeds of the bond sale are intended and the amount needed for those purposes. The County shall have and is hereby granted full and complete authority and discretion in the resolution to fix and determine with respect to the bonds of any issue: the designation, date of issue, denomination or denominations, form or forms, and tenor of the bonds which, without limitation, may be issued in registered form within the meaning of Section 30 of Article 31 of the Annotated Code of Maryland, as amended; the rate or rates of interest payable thereon, or the method of determining the same, which may include a variable rate; the date or dates and amount or amounts of maturity, which need not be in equal par amounts or in consecutive annual installments, provided only that no bond of any issue shall mature later than 30 years from the date of its issue; the manner of selling the bonds, which may be at either public or private sale, for such price or prices as may be determined to be for the best interests of Calvert County; the manner of executing and sealing the bonds, which may be by facsimile; the terms and conditions, if any, under which bonds may be tendered for payment or purchase prior to their stated maturity; the terms or conditions, if any, under which bonds may or shall be redeemed prior to their stated maturity; the place or places of payment of the principal of and the interest on the bonds, which may be at any bank or trust company within or without the State of Maryland; covenants relating to compliance with applicable requirements of federal income tax law, including (without limitation) covenants regarding the payment of rebate or penalties in lieu of rebate; covenants

relating to compliance with applicable requirements of federal or state securities laws; and generally all matters incident to the terms, conditions, issuance, sale, and delivery thereof.

The bonds may be made redeemable before maturity, at the option of the County, at such price or prices and under such terms and conditions as may be fixed by the County prior to the issuance of the bonds, either in the resolution or in a bond order pursuant to the bond resolution. The bonds may be issued in registered form and provision may be made for the registration of the principal only. In case any officer whose signature appears on any bond ceases to be such officer before the delivery thereof, such signature shall nevertheless be valid and sufficient for all purposes as if he had remained in office until such delivery. The bonds and the issuance and sale thereof shall be exempt from the provisions of Sections 9, 10, and 11 of Article 31 of the Annotated Code of Maryland, as amended.

The County may enter into agreements with agents, banks, fiduciaries, insurers, or others for the purpose of enhancing the marketability of any security for the bonds and for the purpose of securing any tender option that may be granted to holders of the bonds, all as may be determined and presented in the aforesaid resolution, which may (but need not) state as security for the performance by the County of any monetary obligations under such agreements the same security given by the County to bondholders for the performance by the County of its monetary obligations under the bonds.

If the County determines in the resolution to offer any of the bonds by solicitation of competitive bids at public sale, the resolution shall fix the terms and conditions of the public sale and shall adopt a form of notice of sale, which shall outline the terms and conditions, and a form of advertisement, which shall be published in one or more daily or weekly newspapers having a general circulation in the County and which may also be published in one or more journals having a circulation primarily among banks and investment bankers. At least one publication of the advertisement shall be made not less than 10 days before the sale of the bonds.

Upon delivery of any bonds to the purchaser or purchasers, payment therefor shall be made to the Treasurer of Calvert County or such other official of Calvert County as may be designated to receive such payment in a resolution passed by the County before such delivery.

SECTION 4. AND BE IT FURTHER ENACTED, That the net proceeds of the sale of bonds shall be used and applied exclusively and solely for the acquisition, construction, improvement, or development of public facilities for which the bonds are sold. If the amounts borrowed shall prove inadequate to finance the projects described in the resolution, the County may issue additional bonds with the limitations hereof for the purpose of evidencing the borrowing of additional funds for such financing, provided the resolution authorizing the sale of additional bonds shall so recite, but if

the net proceeds of the sale of any issue of bonds exceed the amount needed to finance the projects described in the resolution, the excess funds so borrowed and not expended shall be applied to the payment of the next principal maturity of the bonds or to the redemption of any part of the bonds which have been made redeemable or to the purchase and cancellation of bonds, unless the County shall adopt a resolution allocating the excess funds to the acquisition, construction, improvement, or development of other public facilities, as defined and within the limits set forth in this Act.

SECTION 5. AND BE IT FURTHER ENACTED, That the bonds hereby authorized shall constitute, and they shall so recite, an irrevocable pledge of the full faith and credit and unlimited taxing power of the County to the payment of the maturing principal of and interest on the bonds as and when they become payable. In each and every fiscal year that any of the bonds are outstanding, the County shall levy or cause to be levied ad valorem taxes upon all the assessable property within the corporate limits of the County in rate and amount sufficient to provide for or assure the payment, when due, of the principal of and interest on all the bonds maturing in each such fiscal year and, in the event the proceeds from the taxes so levied in any such fiscal year shall prove inadequate for such payment, additional taxes shall be levied in the succeeding fiscal year to make up any such deficiency. The County may apply to the payment of the principal of and interest on any bonds issued hereunder any funds received by it from the State of Maryland, the United States of America, any agency or instrumentality thereof, or from any other source, if such funds are granted for the purpose of assisting the County in financing the acquisition, construction, improvement, or development of the public facilities defined in this Act and, to the extent of any such funds received or receivable in any fiscal year, the taxes that are required to be levied may be reduced accordingly.

SECTION 6. AND BE IT FURTHER ENACTED, That the County is further authorized and empowered, at any time and from time to time, to issue its bonds in the manner hereinabove described for the purpose of refunding, by payment at maturity or upon purchase or redemption, any bonds issued hereunder. The validity of any such refunding bonds shall in no way be dependent upon or related to the validity or invalidity of the obligations so refunded. The powers herein granted with respect to the issuance of bonds shall be applicable to the issuance of refunding bonds. Such refunding bonds may be issued by the County in such an amount as shall be necessary for the purpose of providing it with funds to pay any of its outstanding bonds issued hereunder at maturity, for the purpose of providing it with funds to purchase in the open market any of its outstanding bonds issued hereunder, prior to the maturity thereof, or for the purpose of providing it with funds for the redemption prior to maturity of any outstanding bonds issued hereunder which are, by their terms, redeemable, for the purpose of providing it with funds to pay interest on any outstanding bonds issued hereunder prior to their payment at maturity of purchase or redemption in advance of maturity, or for the purpose of providing it with funds to pay any redemption or purchase premium in connection with the refunding of any of its

outstanding bonds issued hereunder. The proceeds of the sale of any such refunding bonds shall be segregated and set apart by the County as a separate trust fund to be used solely for the purpose of paying the purchase or redemption prices of the bonds to be refunded.

SECTION 7. AND BE IT FURTHER ENACTED, That the County may, prior to the preparation of definitive bonds, issue interim certificates or temporary bonds, exchangeable for definitive bonds when such bonds have been executed and are available for such delivery, provided, however, that any such interim certificates or temporary bonds shall be issued in all respects subject to the restrictions and requirements set forth in this Act. The County may, by appropriate resolution, provide for the replacement of any bonds issued hereunder which shall have become mutilated or lost or destroyed upon such conditions and after receiving such indemnity as the County may require.

SECTION 8. AND BE IT FURTHER ENACTED, That any and all obligations issued pursuant to the authority of this Act, their transfer, the interest payable thereon, and any income derived therefrom in the hands of the holders thereof from time to time (including any profit made in the sale thereof) shall be and are hereby declared to be at all times exempt from State, county, municipal, or other taxation of every kind and nature whatsoever within the State of Maryland. Nothing in this Act shall prevent the County from authorizing the issuance and sale of bonds the interest on which is not excludable from gross income for federal income tax purposes.

SECTION 9. AND BE IT FURTHER ENACTED, That the authority to borrow money and issue bonds conferred on the County by this Act shall be deemed to provide an additional and alternative authority for borrowing money and shall be regarded as supplemental and additional to powers conferred upon the County by other laws and shall not be regarded as in derogation of any power now existing; and all Acts of the General Assembly of Maryland heretofore passed authorizing the County to borrow money are hereby continued to the extent that the powers contained in such Acts have not been exercised, and nothing contained in this Act may be construed to impair, in any way, the validity of any bonds that may have been issued by the County under the authority of any said Acts, and the validity of the bonds is hereby ratified, confirmed, and approved. This Act, being necessary for the welfare of the inhabitants of Calvert County, shall be liberally construed to effect the purposes hereof. All Acts and parts of Acts inconsistent with the provisions of this Act are hereby repealed to the extent of such inconsistency.

SECTION 10. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2008.

May 22, 2008

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate  
State House  
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 754 – *Garrett County – Public Facilities Bonds*.

This bill authorizes the County Commissioners of Garrett County to borrow not more than \$21,000,000 to finance specified projects in Garrett County and to issue general obligation bonds to finance the projects which empowers the County to levy taxes to pay for the bonds. The bill also authorizes the County to enter into specified agreements by allowing the County to issue bonds on which the interest or income may be taxable. Further, this bill provides an exemption from taxation for specified bonds.

House Bill 1338, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 754.

Sincerely,

Governor

**Senate Bill 754**

AN ACT concerning

**Garrett County – Public Facilities Bonds**

FOR the purpose of authorizing and empowering the County Commissioners of Garrett County, from time to time, to borrow not more than ~~\$10,000,000~~ \$21,000,000 in order to finance, with certain restrictions, certain projects in Garrett County, as herein defined, and to effect such borrowing by the issuance and sale at public or private sale of its general obligation bonds in like par amount; empowering the County to fix and determine, by resolution, the form, tenor, interest rate or rates or method of determining the same, terms,

conditions, maturities, and all other details incident to the issuance and sale of the bonds; empowering the County to issue refunding bonds for the purchase or redemption of bonds in advance of maturity; empowering and directing the County to levy, impose, and collect, annually, ad valorem taxes in rate and amount sufficient to provide funds for the payment of the maturing principal of and interest on the bonds; authorizing the County to enter into certain agreements; providing a certain exemption from taxation for certain bonds; providing that nothing in this Act shall prevent the County from authorizing the issuance and sale of bonds or refunding bonds, if the interest on or income derived from the bonds is not exempt from State, local, or other taxation in the State; providing that nothing in this Act shall prevent the County from authorizing the issuance and sale of bonds the interest on which is not excludable from gross income for federal income tax purposes; and relating generally to the issuance and sale of such bonds.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That, as used herein, the term "County" means that body politic and corporate of the State of Maryland known as the County Commissioners of Garrett County, and the term "projects" means the cost of the purchase and acquisition of property, the installation, construction, repair, or renovation of the infrastructure, the creation and renovation of capital projects for the benefit of the Garrett County Board of Education, Garrett College, the Garrett County Roads Department, the Garrett County Department of Economic Development, the Garrett County Department of General Services, the Garrett County Department of Public Safety, and other projects in Garrett County, as well as the alteration, construction, reconstruction, enlargement, expansion, extension, improvement, rehabilitation, renovation, upgrading, equipping, and repair of other facilities in Garrett County, all of which includes related costs for architectural, financial, legal, planning, or engineering services, any finance charges or interest prior to or during such financings, and any other costs or expenditures incurred by the County in connection therewith.

SECTION 2. AND BE IT FURTHER ENACTED, That the County is hereby authorized to finance any part or all of the costs of the projects described in Section 1 of this Act, and to borrow money and incur indebtedness for that purpose, at one time or from time to time, in an amount not exceeding, in the aggregate, ~~\$10,000,000~~ \$21,000,000 and to evidence such borrowing by the issuance and sale upon its full faith and credit of general obligation bonds in like par amount, which may be issued at one time or from time to time, in one or more groups or series, as the County may determine.

SECTION 3. AND BE IT FURTHER ENACTED, That the bonds shall be issued pursuant to a resolution of the County, which shall describe generally the ~~economic development~~ projects for which the proceeds of the bond sale are intended and the amount needed for those purposes. The County shall have and is hereby granted full and complete authority and discretion in the resolution to fix and determine with

respect to the bonds of any issue: the designation, date of issue, denomination or denominations, form or forms, and tenor of the bonds, which, without limitation, may be issued in registered form within the meaning of Section 30 of Article 31 of the Annotated Code of Maryland as effective from time to time; the rate or rates of interest payable thereon, or the method of determining the same, which may include a variable rate; the date or dates and amount or amounts of maturity, which need not be in equal par amounts or in consecutive annual installments, provided only that no bond of any issue shall mature later than 30 years from the date of its issue; the manner of selling the bonds, which may be at either public or private sale, for such price or prices as may be determined to be for the best interests of Garrett County; the manner of executing and sealing the bonds, which may be by facsimile; the terms and conditions, if any, under which bonds may be tendered for payment or purchase prior to their stated maturity; the terms or conditions, if any, under which bonds may or shall be redeemed prior to their stated maturity; the place or places of payment of the principal of and the interest on the bonds, which may be at any bank or trust company within or without the State of Maryland; covenants relating to compliance with applicable requirements of federal income tax law, including (without limitation) covenants regarding the payment of rebate or penalties in lieu of rebate; covenants relating to compliance with applicable requirements of federal or State securities laws; and generally all matters incident to the terms, conditions, issuance, sale, ~~and~~ delivery thereof, and implementation of the authority herein provided. The County may enter into agreements with agents, banks, fiduciaries, insurers, or others for the purpose of enhancing the marketability of any security for the bonds and for the purpose of securing any tender option that may be granted to holders of the bonds, all as may be determined and presented in the aforesaid resolution, which may (but need not) state as security for the performance by the County of any monetary obligations under such agreements the same security given by the County to bondholders for the performance by the County of its monetary obligations under the bonds. In addition, the County may enter into loan, grant, or similar or related agreements in connection with financing the projects, all as may be determined and presented in the aforesaid resolution. In case any officer whose signature appears on any bond ceases to be such officer before delivery, the signature shall nevertheless be valid and sufficient for all purposes as if the officer had remained in office until delivery. The bonds and their issue and sale shall be exempt from the provisions of Sections 9, 10, and 11 of Article 31 of the Annotated Code of Maryland as effective from time to time. If the County determines in the resolution to offer any of the bonds by solicitation of competitive bids at public sale, the resolution shall fix the terms and conditions of the public sale and shall adopt a form of notice of sale, which shall outline the terms and conditions, and a form of advertisement, which shall be published in one or more daily or weekly newspapers having a general circulation in the County and which may also be published in one or more journals having a circulation primarily among banks and investment bankers. At least one publication of the advertisement shall be made not less than 10 days before the sale of the bonds. Upon delivery of any bonds to the purchaser or purchasers, payment therefor shall be made to ~~the Treasurer of Garrett~~

~~County or such other~~ such official of Garrett County as may be designated to receive such payment in a resolution passed by the County before such delivery.

SECTION 4. AND BE IT FURTHER ENACTED, That the net proceeds of the sale of the bonds shall be used and applied exclusively and solely for the ~~economic development~~ projects in Garrett County. If the net proceeds of the sale of any issue of bonds exceeds the amount needed to finance the ~~economic development~~ projects described in the resolution, the excess funds shall be applied to the payment of the next principal maturity of the bonds or to the redemption of any part of the bonds which have been made redeemable or to the purchase and cancellation of bonds, as the County may determine to be in its best interest, unless the County shall adopt a resolution allocating the excess funds to other capital projects.

SECTION 5. AND BE IT FURTHER ENACTED, That the bonds hereby authorized shall constitute, and they shall so recite, an irrevocable pledge of the full faith and credit and unlimited taxing power of the County to the payment of the maturing principal of and interest on the bonds as and when they become payable. In each and every fiscal year that any of the bonds are outstanding, the County shall levy or cause to be levied ad valorem taxes upon all the assessable property within the corporate limits of the County in rate and amount sufficient to provide for or assure the payment, when due, of the principal of and interest on all the bonds maturing in each such fiscal year and, in the event the proceeds from the taxes so levied in any such fiscal year shall prove inadequate for such payment, additional taxes shall be levied in the succeeding fiscal year to make up any such deficiency. The County may apply to the payment of the principal of and interest on any bonds issued hereunder any funds received by it from the State of Maryland, the United States of America, any agency or instrumentality thereof, or from any other source, if such funds are granted for the purpose of assisting the County in financing the ~~economic development~~ projects and to the extent of any such funds received or receivable in any fiscal year, the taxes that are required to be levied under this Act may be reduced proportionately or need not be levied.

SECTION 6. AND BE IT FURTHER ENACTED, That the County is further authorized and empowered, at any time and from time to time, to issue its bonds in the manner herein above described for the purpose of refunding, by payment at maturity or upon purchase or redemption, any bonds issued hereunder. The validity of any such refunding bonds shall in no way be dependent upon or related to the validity or invalidity of the obligations so refunded. The powers herein granted with respect to the issuance of bonds shall be applicable to the issuance of refunding bonds. Such refunding bonds may be issued by the County for the purpose of providing it with funds to pay any of its outstanding bonds issued hereunder at maturity, for the purpose of providing it with funds to purchase in the open market any of its outstanding bonds issued hereunder, prior to the maturity thereof, or for the purpose of providing it with funds for the redemption prior to maturity of any outstanding bonds issued hereunder which are, by their terms, redeemable, for the purpose of

providing it with funds to pay interest on any outstanding bonds issued hereunder prior to their payment at maturity of purchase or redemption in advance of maturity, or for the purpose of providing it with funds to pay any redemption or purchase premium in connection with the refunding of any of its outstanding bonds issued hereunder. The proceeds of the sale of any such refunding bonds shall be segregated and set apart by the County as a separate trust fund to be used solely for the purpose of paying the purchase or redemption prices of the bonds to be refunded.

SECTION 7. AND BE IT FURTHER ENACTED, That the County may, prior to the preparation of definitive bonds, issue interim certificates or temporary bonds, with or without coupons, exchangeable for definitive bonds when such bonds have been executed and are available for such delivery, provided, however, that any such interim certificates or temporary bonds shall be issued in all respects subject to the restrictions and requirements set forth in this Act. The County may, by appropriate resolution, provide for the replacement of any bonds issued hereunder which shall have become mutilated or lost or destroyed upon such conditions and after receiving such indemnity as the County may require.

SECTION 8. AND BE IT FURTHER ENACTED, That ~~nothing~~ any and all obligations issued pursuant to the authority of this Act, their transfer, the interest payable thereon, and any income derived therefrom in the hands of the holders thereof from time to time (including any profit made in the sale thereof) shall be and are hereby declared to be at all times exempt from State, county, municipal, or other taxation of every kind and nature whatsoever within the State of Maryland. Nothing in this Act shall prevent the County from authorizing the issuance and sale of ~~bonds~~ bonds on which the interest is not excludable from gross income for federal income tax purposes.

~~(a) on which the interest or income derived is not excludable from gross income for federal income tax purposes; or~~

~~(b) which are subject to any State, county, municipal, or other taxation within the State of Maryland.~~

SECTION 9. AND BE IT FURTHER ENACTED, That the authority to borrow money, to issue bonds, and to provide loans and grants of the same that is conferred on the County by this Act shall be deemed to provide an additional and alternative authority for borrowing, loaning, and granting money and shall be regarded as supplemental and additional to powers conferred upon the County by other laws and shall not be regarded as in derogation of any power now existing; and all Acts of the General Assembly of Maryland heretofore passed authorizing the County to borrow money are hereby continued to the extent that the powers contained in such Acts have not been exercised, and nothing contained in this Act may be construed to impair, in any way, the validity of any bonds that may have been issued by the County under the authority of any said Acts, and the validity of the bonds is hereby ratified, confirmed,

and approved. This Act, being necessary for the welfare of the inhabitants of Garrett County, shall be liberally construed to effect the purposes hereof. All Acts and parts of Acts inconsistent with the provisions of this Act are hereby repealed to the extent of such inconsistency.

SECTION 10. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2008.

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May 22, 2008

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate  
State House  
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 816 – *Worcester County – Property Tax Credit – Historically Operated Amusement Park*.

This bill authorizes the governing body of Worcester County or of a municipal corporation in Worcester County to grant, by law, a property tax credit for real property used for a historically operated amusement park. The bill also authorizes the county or municipal corporation to provide for the amount and duration of the credit and for provisions necessary to carry out the credit.

House Bill 1151, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 816.

Sincerely,

Governor

**Senate Bill 816**

AN ACT concerning

**Worcester County – Property Tax Credit – Historically Operated Amusement Park**

FOR the purpose of authorizing the governing body of Worcester County or *of* a municipal corporation in Worcester County to grant, by law, a property tax credit for certain real property used as an amusement park; authorizing the county or municipal corporation to provide, by law, for the amount and duration of the credit and for certain provisions necessary to carry out the credit; defining a certain term; providing for the application of this Act; and generally relating to authorization for a local property tax credit for certain property in Worcester County that is used as a historically operated amusement park.

BY adding to

Article – Tax – Property  
Section 9–325(c)  
Annotated Code of Maryland  
(2007 Replacement Volume)

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

**Article – Tax – Property**

9–325.

**(c) (1) IN THIS SUBSECTION, “HISTORICALLY OPERATED AMUSEMENT PARK” MEANS REAL PROPERTY THAT IS USED FOR MECHANICAL AMUSEMENT RIDES, GAMES, AND CONCESSIONS THAT:**

**(i) HAVE BEEN CONTINUOUSLY OWNED BY MEMBERS OF THE SAME FAMILY OR BY ENTITIES OF WHICH MEMBERS OF THE SAME FAMILY OWN A CONTROLLING INTEREST;**

**(ii) HAVE BEEN OPERATED AT THE SAME GENERAL LOCATION FOR A PERIOD OF MORE THAN 100 YEARS AND CONTINUE TO BE OPERATED AT THE SAME GENERAL LOCATION; AND**

**(iii) HAVE CREATED A TOURIST DESTINATION AT A BOARDWALK.**

(2) THE GOVERNING BODY OF WORCESTER COUNTY OR OF A MUNICIPAL CORPORATION IN WORCESTER COUNTY MAY GRANT, BY LAW, A PROPERTY TAX CREDIT AGAINST THE COUNTY OR MUNICIPAL CORPORATION PROPERTY TAX IMPOSED ON REAL PROPERTY THAT IS ACTUALLY USED AS A HISTORICALLY OPERATED AMUSEMENT PARK.

(3) THE GOVERNING BODY OF WORCESTER COUNTY OR OF A MUNICIPAL CORPORATION IN WORCESTER COUNTY MAY PROVIDE, BY LAW, FOR:

(I) THE AMOUNT AND DURATION OF THE PROPERTY TAX CREDIT UNDER THIS SUBSECTION;

(II) ADDITIONAL ELIGIBILITY CRITERIA FOR THE TAX CREDIT UNDER THIS ~~SECTION~~ SUBSECTION;

(III) REGULATIONS AND PROCEDURES FOR THE APPLICATION AND UNIFORM PROCESSING OF REQUESTS FOR THE TAX CREDIT; AND

(IV) ANY OTHER PROVISION NECESSARY TO CARRY OUT THE CREDIT UNDER THIS SUBSECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2008, and shall be applicable to all taxable years beginning after June 30, 2008.

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May 22, 2008

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate  
State House  
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 818 – *Public Health Dental Hygiene Act*.

This bill alters the authorization of a general license to practice dental hygiene to include the application of sealants or fluoride agents under general supervision in specified facilities. This bill also provides that a specified waiver is not required to practice dental hygiene under general supervision in accordance with specified provisions of law. Further, the bill increases the types of facilities a general license to practice dental hygiene authorizes a dental hygienist to practice in under general supervision.

House Bill 1280, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 818.

Sincerely,

Governor

**Senate Bill 818**

AN ACT concerning

**Public Health Dental Hygiene Act**

FOR the purpose of altering the authorization of a general license to practice dental hygiene to include the application of certain sealants or fluoride agents under certain supervision in certain facilities; providing that a certain waiver is not required to practice dental hygiene under certain supervision in accordance with certain provisions of law; increasing the types of facilities a general license to practice dental hygiene authorizes a dental hygienist to practice in under certain supervision; altering the requirements for certain facilities in which certain dental hygienists are authorized to practice under certain supervision; defining a certain ~~term~~ terms; and generally relating to the practice of dental hygiene.

BY repealing and reenacting, without amendments,  
Article – Health Occupations  
Section 4–101(k) and (l)  
Annotated Code of Maryland  
(2005 Replacement Volume and 2007 Supplement)

BY repealing and reenacting, with amendments,  
Article – Health Occupations

Section 4-308(e) and (h)  
Annotated Code of Maryland  
(2005 Replacement Volume and 2007 Supplement)

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

**Article - Health Occupations**

4-101.

(k) "Practice dental hygiene" means to:

- (1) Perform a preliminary dental examination;
- (2) Perform a complete prophylaxis, including the removal of any deposit, accretion, or stain from the surface of a tooth or a restoration;
- (3) Polish a tooth or a restoration;
- (4) Chart cavities, restorations, missing teeth, periodontal conditions, and other features observed during preliminary examination, prophylaxis, or polishing;
- (5) Apply a medicinal agent to a tooth for a prophylactic purpose;
- (6) Take a dental X ray; or
- (7) Perform any other intraoral function that the Board authorizes by a rule or regulation adopted under § 4-206 of this title.

(l) "Practice dentistry" means to:

- (1) Be a manager, a proprietor, or a conductor of or an operator in any place in which a dental service or dental operation is performed intraorally;
- (2) Perform or attempt to perform any intraoral dental service or intraoral dental operation;
- (3) Diagnose, treat, or attempt to diagnose or treat any disease, injury, malocclusion, or malposition of a tooth, gum, or jaw, or structures associated with a tooth, gum, or jaw if the service, operation, or procedure is included in the curricula of an accredited dental school or in an approved dental residency program of an accredited hospital or teaching institution;

- (4) Perform or offer to perform dental laboratory work;
- (5) Place or adjust a dental appliance in a human mouth; or
- (6) Administer anesthesia for the purposes of dentistry and not as a medical specialty.

4-308.

(e) (1) **[While] EXCEPT AS PROVIDED IN SUBSECTION (H) OF THIS SECTION, WHILE** it is effective, a general license to practice dental hygiene issued under this title authorizes the licensee to practice dental hygiene:

- (i) Under the supervision of a licensed dentist who is:
  - 1. On the premises and available for personal consultation while the services are being performed; or
  - 2. Not on the premises while authorized dental hygiene services are provided when the requirements of subsection (i) of this section have been fully satisfied; and

- (ii) Only in a:
  - 1. Dental office;
  - 2. Dental clinic;
  - 3. Hospital;
  - 4. School;
  - 5. Charitable institution; or
  - 6. Health maintenance organization certified by the State Insurance Commissioner.

(2) **(I)** The Board may waive, on a case by case basis only, the supervision requirements of this subsection for:

**[(i)] 1.** A dental facility owned and operated by the federal, the State, or a local government;

**[(ii)] 2.** A health facility licensed by the Department of Health and Mental Hygiene;

[(iii)] 3. A facility providing medical care to the poor, elderly, or handicapped that is owned and operated by:

[1.] A. The State or a local government; or

[2.] B. A bona fide charitable organization; or

[(iv)] 4. Any other setting authorized under regulations adopted by the Board.

**(II) A WAIVER IS NOT REQUIRED TO PRACTICE DENTAL HYGIENE UNDER GENERAL SUPERVISION IN ACCORDANCE WITH SUBSECTION (H) OF THIS SECTION.**

(3) The Board may grant a waiver under paragraph (2) of this subsection if:

(i) The facility requesting the waiver has submitted a written application;

(ii) The facility requesting the waiver has submitted a medical emergency plan of action at the time of application; and

(iii) The Board finds that:

1. Good cause exists to justify the granting of the waiver;

2. Adequate facilities and equipment, including portable equipment where appropriate and appropriate armamentarium, are available for the appropriate delivery of dental hygiene services; and

3. Adequate safeguards are present to protect the patient's health and safety.

(4) (i) The Board, upon written request or its own motion, may conduct a public informational meeting on any waiver application.

(ii) The Board shall maintain records of all waiver applications and the criteria and basis for its action on each application.

(iii) The Board shall have the power to inspect or review any facility, location, person, or entity applying for, covered by, or acting under a waiver.

(5) (i) Except as provided under subparagraph (ii) of this paragraph, the Board shall accept or deny a waiver under paragraph (2) of this subsection within 60 calendar days of the receipt of the application for the waiver or it shall be deemed to have been accepted.

(ii) If extraordinary circumstances exist, the Board shall accept or deny a waiver under paragraph (2) of this subsection within 90 calendar days of the receipt of the application for the waiver or it shall be deemed to have been accepted.

(6) Any changes in the procedures or personnel of a facility with a waiver granted under this subsection shall be reported to the Board within 15 business days after the change.

(h) (1) (I) In this subsection, [“general supervision”] **THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.**

(II) **“CONTRACTUAL EMPLOYEE” MEANS A DENTAL HYGIENIST WHO HAS AN ANNUAL CONTRACT TO PRACTICE DENTAL HYGIENE AN AVERAGE OF AT LEAST 8 HOURS PER WEEK IN A FACILITY SPECIFIED UNDER PARAGRAPH (3)(I) OF THIS SUBSECTION.**

(III) **“FACILITY” INCLUDES A PROGRAM OPERATED WITHIN A FACILITY THAT IS SPECIFIED UNDER PARAGRAPH (3)(I) OF THIS SUBSECTION.**

(IV) **“FEDERALLY QUALIFIED HEALTH CENTER” HAS THE MEANING STATED IN 42 U.S.C. ~~§ 25B(A)~~ § 254B(A).**

(V) **“FEDERALLY QUALIFIED HEALTH CENTER LOOK-ALIKE” HAS THE MEANING STATED IN 42 U.S.C. § 1396D(L)(2)(B).**

~~(II)~~ (VI) **“GENERAL SUPERVISION” means supervision of a dental hygienist by a dentist, where the dentist may or may not be present when the dental hygienist performs the dental hygiene procedures.**

(2) (I) **WHILE EFFECTIVE, A GENERAL LICENSE TO PRACTICE DENTAL HYGIENE ISSUED UNDER THIS TITLE AUTHORIZES THE LICENSEE TO PRACTICE DENTAL HYGIENE AND APPLY SEALANTS OR FLUORIDE AGENTS SUCH AS PROFESSIONAL TOPICAL FLUORIDE TREATMENTS, MOUTH RINSE, OR VARNISH:**

**1. UNDER GENERAL SUPERVISION IN ACCORDANCE WITH THIS SUBSECTION; AND**

**2. IN A FACILITY SPECIFIED UNDER PARAGRAPH (3)(I) OF THIS SUBSECTION THAT COMPLIES WITH THE REQUIREMENTS OF THIS SUBSECTION.**

**(II) THIS SUBSECTION MAY NOT BE CONSTRUED TO:**

**1. AUTHORIZE A DENTAL HYGIENIST TO PRACTICE DENTAL HYGIENE INDEPENDENT OF A SUPERVISING DENTIST;**

**2. PROHIBIT A DENTIST FROM BEING AVAILABLE FOR PERSONAL CONSULTATION OR ON THE PREMISES WHERE A DENTAL HYGIENIST IS PRACTICING; OR**

**3. REQUIRE A WAIVER UNDER SUBSECTION (E) OF THIS SECTION.**

**[(2)] (3) (I) While it is effective, a general license to practice dental hygiene issued under this title authorizes the licensee to practice dental hygiene under [the] general supervision [of a licensed dentist] in:**

**[(i)] 1. A dental facility owned and operated by the federal, the State, or a local government; [or]**

**[(ii)] 2. A public health department OR PUBLIC SCHOOL of the State or a [county.] COUNTY;**

**3. A ~~HEALTH~~ FACILITY IN WHICH A PROGRAM LICENSED BY THE DEPARTMENT IS OPERATING;**

**4. A FACILITY OWNED AND OPERATED BY THE DEPARTMENT OF JUVENILE SERVICES;**

**~~4~~ 5. A FACILITY OWNED AND OPERATED BY THE STATE OR A LOCAL GOVERNMENT THAT PROVIDES MEDICAL CARE TO THE POOR, ELDERLY, OR HANDICAPPED;**

**~~5~~ 6. A FACILITY IN WHICH A FEDERALLY QUALIFIED HEALTH CENTER OR A FEDERALLY QUALIFIED HEALTH CENTER LOOK-ALIKE IS LOCATED; OR**

**~~6~~ 7. A FACILITY IN WHICH A STATE LICENSED HEAD START PROGRAM OR EARLY HEAD START PROGRAM OPERATES.**

**(ii) BEFORE A FACILITY MAY ALLOW A DENTAL HYGIENIST AUTHORIZED TO PRACTICE DENTAL HYGIENE UNDER GENERAL SUPERVISION IN ACCORDANCE WITH THIS SUBSECTION TO PRACTICE IN THE FACILITY, THE FACILITY SHALL REPORT TO THE BOARD:**

**1. THAT THE FACILITY IS OPERATING UNDER GENERAL SUPERVISION; AND**

**2. THE IDENTITY OF EACH SUPERVISING DENTIST AND EACH DENTAL HYGIENIST.**

**[(3)] (4)** A facility in which a dental hygienist is authorized to practice under the general supervision of a licensed dentist **IN ACCORDANCE WITH THIS SUBSECTION** shall ensure that:

(i) The supervising dentist **[in]** **FOR** the facility:

1. Holds an active general license to practice dentistry in the State;

2. Holds a current certificate evidencing health provider level C proficiency, or its equivalent, in cardiopulmonary resuscitation; and

3. Has at least 2 years of active clinical practice in direct patient care;

(ii) Each dental hygienist authorized to practice under the general supervision of a licensed dentist **IN ACCORDANCE WITH THIS SUBSECTION**:

1. Holds an active general license to practice dental hygiene in the State;

2. Holds a current certificate evidencing health provider level C proficiency, or its equivalent, in cardiopulmonary resuscitation; **[and]**

3. Has at least 2 years of active clinical practice in direct patient care; **AND**

**4. IS A PERMANENT OR CONTRACTUAL EMPLOYEE OF THE FEDERAL GOVERNMENT, A STATE OR LOCAL GOVERNMENT, OR A FEDERALLY QUALIFIED HEALTH CENTER;**

(iii) The facility has **[a]**:

1. A medical emergency plan; [and]
2. **ADEQUATE EQUIPMENT, INCLUDING PORTABLE EQUIPMENT WHERE APPROPRIATE AND APPROPRIATE ARMAMENTARIUM, ~~IS~~ AVAILABLE FOR THE APPROPRIATE DELIVERY OF DENTAL HYGIENE SERVICES; AND**
3. **ADEQUATE SAFEGUARDS TO PROTECT THE PATIENT'S HEALTH AND SAFETY;**

(iv) A recall patient who has been examined by a dental hygienist practicing under the general supervision of a licensed dentist will be scheduled for an oral examination every 6 months, or as otherwise recommended by the supervising [dentist.] **DENTIST;**

[(4) (i) Except as provided in subparagraph (ii) of this paragraph, a facility in which a dental hygienist is authorized to practice under the general supervision of a licensed dentist shall satisfy the following requirements:

1. Before the initial treatment of a patient by a dental hygienist practicing under the general supervision of a licensed dentist, the supervising dentist, the patient's dentist, or the treating physician evaluates the patient's medical history and determines its impact on the patient's suitability to receive oral health treatment;
2. The supervising dentist diagnoses the patient and approves the treatment plan for the patient;
3. The supervising dentist authorizes, on a patient by patient basis, a dental hygienist to practice under the general supervision of a licensed dentist;]

[4.] (v) A dental hygienist practicing under the general supervision of a licensed dentist ascertains before treating a recall patient that there has been no change in the patient's medical history;

[5.] (vi) A dental hygienist consults with the supervising dentist, the patient's dentist, or a treating physician before proceeding with treatment if there is a change in the patient's medical history; [and]

[6.] (vii) Adequate facilities and equipment are available for the delivery of dental hygiene services other than fluoride rinse [programs.] **PROGRAMS; AND**

[(ii) A dental hygienist who is authorized to practice under the general supervision of a licensed dentist may apply fluoride, mouth rinse, or varnish without satisfying the requirements of subparagraph (i) of this paragraph.

(5) Before a facility operates under general supervision, the facility shall report to the Board:

- (i) That the facility is operating under general supervision; and
- (ii) The identity of each supervising dentist and each dental hygienist.

(6) A facility operating under general supervision shall report]

**(VIII) REPORTS** to the Board any changes in the status of the facility's general supervision, any supervising dentist, or any dental hygienist within 30 days after the change.

[(7) This subsection may not be construed to:

- (i) Authorize a dental hygienist to practice dental hygiene independent of a supervising dentist; or
- (ii) Prohibit a dentist from being available for personal consultation or on the premises where a dental hygienist is practicing.]

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2008.

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May 22, 2008

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate  
State House  
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 878 – *Harford County – Deer Hunting on Private Property – Sundays*.

This bill removes Harford County from the list of counties in which deer hunting on private property on the first Sunday of the bow hunting season in November and the first Sunday of the deer firearms season is prohibited.

House Bill 1482, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 878.

Sincerely,

Governor

### **Senate Bill 878**

AN ACT concerning

#### **Harford County – Deer Hunting on Private Property – Sundays**

FOR the purpose of removing Harford County from the list of counties in which deer hunting on private property on certain Sundays is prohibited; providing for the effective date of certain provisions of this Act; providing for the termination of certain provisions of this Act; and generally relating to deer hunting on private property on Sundays.

BY repealing and reenacting, with amendments,  
Article – Natural Resources  
Section 10–410(a)  
Annotated Code of Maryland  
(2007 Replacement Volume)

BY repealing and reenacting, with amendments,  
Article – Natural Resources  
Section 10–410(a)  
Annotated Code of Maryland  
(2007 Replacement Volume)  
(As enacted by Chapter 361 of the Acts of the General Assembly of 2006)

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

**Article - Natural Resources**

10-410.

(a) (1) Except as provided in paragraphs (2) and (3) of this subsection, a person may not hunt any game bird or mammal on Sundays.

(2) The following persons may hunt the specified game birds and mammals on Sundays:

(i) A person using State certified raptors to hunt game birds or mammals during open season;

(ii) An unarmed person participating in an organized fox chase to chase foxes;

(iii) Provided that the provisions of § 10-906(b)(3) of this title are met, a person:

1. Using a regulated shooting ground under § 10-906 of this title to hunt the following pen-reared game birds:

A. Pheasants;

B. Bobwhite quail;

C. Chukar partridge;

D. Hungarian partridge;

E. Tower released flighted mallard ducks; and

F. Turkey on a regulated shooting ground that was permitted to release turkey before September 1, 1992; and

2. Having the written permission of the owner of the land or other person designated by the owner of the land, if the land is owned or leased by a person other than the person hunting on Sundays; and

(iv) Subject to the provisions of § 10-411 of this subtitle, in Dorchester, St. Mary's, Somerset, Wicomico, and Worcester counties, a person hunting deer on private property with a bow and arrow during open season on the last three Sundays in October and the second Sunday in November.

(3) Provided that the provisions of § 10-415 of this subtitle are met and subject to paragraph (4) of this subsection, the Department may allow a person to hunt deer on private property on the first Sunday of:

- (i) The bow hunting season in November; and
- (ii) The deer firearms season.

(4) The Sunday deer hunting provisions under paragraph (3) of this subsection do not apply:

- (i) In Baltimore, Carroll, Frederick, [Harford,] Howard, and Prince George's counties; and
- (ii) In Baltimore City.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

### **Article - Natural Resources**

10-410.

(a) (1) Except as provided in paragraphs (2) and (3) of this subsection, a person may not hunt any game bird or mammal on Sundays.

(2) The following persons may hunt the specified game birds and mammals on Sundays:

(i) A person using State certified raptors to hunt game birds or mammals during open season;

(ii) An unarmed person participating in an organized fox chase to chase foxes;

(iii) Provided that the provisions of § 10-906(b)(3) of this title are met, a person:

1. Using a regulated shooting ground under § 10-906 of this title to hunt the following pen-reared game birds:

A. Pheasants;

B. Bobwhite quail;

- C. Chukar partridge;
- D. Hungarian partridge;
- E. Tower released flighted mallard ducks; and
- F. Turkey on a regulated shooting ground that was permitted to release turkey before September 1, 1992; and

2. Having the written permission of the owner of the land or other person designated by the owner of the land, if the land is owned or leased by a person other than the person hunting on Sundays; and

(iv) Subject to the provisions of § 10-411 of this subtitle, in Dorchester, St. Mary's, Somerset, Wicomico, and Worcester counties, a person hunting deer on private property with a bow and arrow during open season on the last three Sundays in October and the second Sunday in November.

(3) Provided that the provisions of § 10-415 of this subtitle are met and subject to paragraph (4) of this subsection, the Department may allow a person to hunt deer on private property on the first Sunday of:

- (i) The bow hunting season in November; and
- (ii) The deer firearms season.

(4) The Sunday deer hunting provisions under paragraph (3) of this subsection do not apply:

- (i) In Baltimore, Carroll, Frederick, [Harford,] Howard, Montgomery, and Prince George's counties; and
- (ii) In Baltimore City.

SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect on the taking effect of the termination provision specified in Section 2 of Chapter 361 of the Acts of the General Assembly of 2006. If that termination provision takes effect, Section 1 of this Act shall be abrogated and of no further force and effect. This Act may not be interpreted to have any effect on that termination provision.

SECTION 4. AND BE IT FURTHER ENACTED, That, subject to the provisions of Section 3 of this Act, this Act shall take effect October 1, 2008.

May 22, 2008

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate  
State House  
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 953 – *Garrett County – Local Tax – Date of Payment*.

This bill alters the date by which the Garrett County Commissioners must make payments from the special fire tax levy to volunteer fire departments, from September 1 to December and June of each year.

House Bill 1566, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 953.

Sincerely,

Governor

### **Senate Bill 953**

AN ACT concerning

#### **Garrett County – Local Tax – Date of Payment**

FOR the purpose of altering the date the County Commissioners of Garrett County are required to make certain payments of the revenue from certain local taxes to certain volunteer fire departments; and generally relating to the payment of certain local tax revenues to volunteer fire departments in Garrett County.

BY repealing and reenacting, with amendments,  
The Public Local Laws of Garrett County  
Section 41–2  
Article 12 – Public Local Laws of Maryland

(1985 Edition and October 2001 Supplement, as amended)  
(As enacted by Chapter 41 of the Acts of the General Assembly of 1929)

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

**Article 12 - Garrett County**

41-2.

Such payments shall be made [on the first day of September] in **DECEMBER AND JUNE** each and every year by the County Commissioners of Garrett County.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2008.

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May 22, 2008

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate  
State House  
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 999 – *Worcester County - Property Tax Credits - Amusement Parks*.

This bill authorizes Worcester County or a municipality in Worcester County to grant, by law, a property tax credit for real property known as the Ocean City Amusement and Fishing Pier, and real property consisting of at least 30 acres located in Ocean City on or west of State Route 528 and used exclusively for the operation of an amusement park. The bill applies to tax years beginning after June 30, 2008.

House Bill 1572, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 999.

Sincerely,

Governor

**Senate Bill 999**

AN ACT concerning

**Worcester County - Property Tax Credits - Amusement Parks**

FOR the purpose of authorizing the governing body of a municipal corporation in Worcester County to grant, by law, a property tax credit for certain real property known as the Ocean City Amusement ~~Park~~ and Fishing Pier; authorizing the governing body of Worcester County or of a municipal corporation in Worcester County to grant, by law, a property tax credit for certain real property used for the operation of an amusement park; authorizing the governing body of Worcester County or of a municipal corporation in Worcester County to provide, by law, for certain provisions relating to certain property tax credits; providing for the application of this Act; and generally relating to authorization for certain local property tax credits in Worcester County.

BY repealing and reenacting, with amendments,

Article - Tax - Property  
Section 9-325  
Annotated Code of Maryland  
(2007 Replacement Volume)

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

**Article - Tax - Property**

9-325.

(a) (1) The governing body of Worcester County may grant, by law, a property tax credit under this section against the county property tax imposed on:

(i) property that is:

1. owned by the Berlin Community Improvement Association, Incorporated, of Worcester County; and

organization; 2. used only for the nonprofit activities of the

(ii) property that is:

and 1. owned by the Marlin Park Association, Incorporated;

2. used for nonprofit purposes;

(iii) property that is owned or leased by the Greater Ocean City Health Service Corporation; AND

[(iv) real property:

1. owned by the Mayor and City Council of Ocean City; 2. leased to the Sinepuxent Pier and Improvement Company, Incorporated; and

3. known as the Ocean City Amusement and Fishing Pier; and]

[(v)] (IV) property that is owned by the Ocean City, Maryland Chamber of Commerce.

(2) The governing body of Worcester County may provide, by law, for:

(i) the amount and duration of a property tax credit under this section; and

(ii) any other provision necessary to carry out this section.

(b) (1) The governing body of Worcester County or the governing body of a municipal corporation in Worcester County may grant, by law, a property tax credit against the county or municipal corporation property tax imposed on:

(I) property that is owned by the Pocomoke City Chamber of Commerce;

(II) REAL PROPERTY THAT IS:

1. OWNED BY THE MAYOR AND CITY COUNCIL OF OCEAN CITY;

2. LEASED TO THE SINEPUXENT PIER AND IMPROVEMENT COMPANY, INCORPORATED; AND

3. KNOWN AS THE OCEAN CITY AMUSEMENT AND FISHING PIER; AND

(III) REAL PROPERTY THAT:

1. IS LOCATED IN OCEAN CITY ON OR WEST OF ~~COASTAL HIGHWAY~~ STATE ROUTE 528;

2. CONSISTS OF AT LEAST 30 ACRES; AND

3. IS ACTUALLY USED EXCLUSIVELY FOR THE OPERATION OF AN AMUSEMENT PARK.

(2) The governing body of Worcester County or of a municipal corporation in Worcester County may provide, by law, for:

(i) the amount and duration of a property tax credit under this subsection; [and]

(II) ADDITIONAL ELIGIBILITY CRITERIA ~~OR CONDITIONS~~ FOR A PROPERTY TAX CREDIT UNDER THIS SUBSECTION; ~~AND~~

(III) REGULATIONS AND PROCEDURES FOR THE APPLICATION AND UNIFORM PROCESSING OF REQUESTS FOR THE TAX CREDIT; AND

[(ii)] ~~(III)~~ (IV) any other provision necessary to carry out this subsection.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2008, and shall be applicable to all taxable years beginning after June 30, 2008.

May 22, 2008

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate  
State House  
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 1014 – *Election Law – Special Congressional Election*.

This bill alters the dates by which the Governor must issue a proclamation following a vacancy in the office of Representative in Congress; specifies circumstances in which a special primary election is not required; specifies procedures for nomination of candidates to a special general election when a special primary election is not held; provides for the resolution of specified conflicts of law; makes the Act an emergency measure; and provides for the termination of the Act.

House Bill 1627, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 1014.

Sincerely,

Governor

### **Senate Bill 1014**

AN ACT concerning

#### **Election Law – Special Congressional Election**

FOR the purpose of altering the dates by which the Governor must issue a proclamation following a vacancy in the office of Representative in Congress; specifying circumstances in which a special primary election is not required; specifying procedures for filing certificates of candidacy, certificates of nomination, and petitions for a special general election when a special primary election is not held; establishing procedures for the certification, posting, and challenge of certain ballots; authorizing the State Administrator of Elections to alter certain time limits under certain circumstances; providing for a certain exception; providing for the resolution of certain conflicts of law; making this Act an emergency measure; providing for the termination of this Act; and generally relating to special elections to fill a vacancy in the office of Representative in Congress.

BY repealing and reenacting, with amendments,  
 Article – Election Law  
 Section 5–303, 5–703, 8–202, 8–710, and 8–711  
 Annotated Code of Maryland  
 (2003 Volume and 2007 Supplement)

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

**Article – Election Law**

5–303.

(a) Except as provided in subsections (b) and (c) of this section, a certificate of candidacy shall be filed not later than 9 p.m. on the Monday that is 10 weeks or 70 days before the day on which the primary election will be held.

(b) A certificate of candidacy for an office to be filled by a special election under this article shall be received and filed in the office of the appropriate board not later than 5 p.m. on the Monday that is 3 weeks or 21 days prior to the date for the special primary election specified by the Governor in the proclamation for the special primary election, **OR IF THERE IS ONLY A SPECIAL GENERAL ELECTION, ON THE DATE SPECIFIED BY THE GOVERNOR IN THE PROCLAMATION FOR THE SPECIAL GENERAL ELECTION.**

(c) The certificate of candidacy for the election of a write-in candidate shall be filed by the earlier of:

(1) 7 days after a total expenditure of at least \$51 is made to promote the candidacy by a campaign finance entity of the candidate; or

(2) 5 p.m. on the Wednesday preceding the day of the election for which the certificate is filed.

5–703.

(a) Except for a candidate for a nonpartisan county board of education, this section applies to any candidate for public office subject to this title.

(b) A candidate for a public office may be nominated by petition under this subtitle if the candidate is not affiliated with any political party.

(c) (1) A candidate for public office who seeks nomination by petition shall file a declaration of intent to seek nomination by petition.

(2) The declaration of intent shall be filed with the board at which the candidate files a certificate of candidacy under Subtitle 3 of this title.

(3) The declaration of intent shall be filed as follows:

(i) in a year in which the Governor is elected or the Baltimore City municipal election is held, by the date and time specified for a candidate to file a certificate of candidacy;

(ii) in a year in which the President is elected, by July 1; and

(iii) for a special election to fill a vacancy for Representative in Congress, by the date and time specified for a candidate to file a certificate of candidacy in the Governor's proclamation.

(4) A candidate who seeks nomination by petition may not be charged a fee for filing the declaration of intent.

(d) (1) A candidate for public office who seeks nomination by petition shall file a certificate of candidacy not later than 5 p.m. on the first Monday in August in the year of the general election for the office.

(2) Except for the time of filing, the certificate of candidacy for a candidate who seeks nomination by petition shall comply with the requirements for a certificate of candidacy under Subtitle 3 of this title.

(e) (1) A candidate who seeks nomination by petition may not have the candidate's name placed on the general election ballot unless the candidate files with the appropriate board petitions signed by not less than 1% of the total number of registered voters who are eligible to vote for the office for which the nomination by petition is sought, except that the petitions shall be signed by at least 250 registered voters who are eligible to vote for the office.

(2) The petitions shall be filed as required in Title 6 of this article.

(3) The number of registered voters required to satisfy the requirements of paragraph (1) of this section shall be determined as of the deadline for changing party affiliation before the primary election for which the nomination is sought.

(f) (1) Except as provided in paragraph (2) of this subsection, a petition that contains the required number of signatures specified under subsection (e)(1) of this section shall be filed with the appropriate board by 5 p.m. on the first Monday in August in the year in which the general election is held.

(2) In a special election to fill a vacancy in the office of Representative in Congress, a petition that contains the required number of signatures shall be filed with the State Board by 5 p.m. on the day of the special primary election, **OR IF THERE IS ONLY A SPECIAL GENERAL ELECTION, ON THE DAY BY WHICH THE STATE CENTRAL COMMITTEES OF THE POLITICAL PARTIES MUST DESIGNATE THEIR CANDIDATES UNDER § 8-710(E) OF THIS ARTICLE FOR THE SPECIAL GENERAL ELECTION.**

8-202.

(a) A principal political party, as determined by the statement of registration issued by the State Board:

(1) shall use the primary election to:

(i) nominate its candidates for public office; and

(ii) elect all members of the local central committees of the political party; and

(2) may use the primary election in the year of a presidential election to elect delegates to a national presidential nominating convention.

(b) Except for a nominee for President or Vice President, the name of a nominee of a principal political party may not appear on the ballot in a general election if the individual has not:

(1) been nominated in the primary election; [or]

(2) been designated to fill a vacancy in nomination in accordance with Subtitle 5 of this title; **OR**

**(3) BEEN DESIGNATED TO BE A CANDIDATE IN A SPECIAL GENERAL ELECTION IN ACCORDANCE WITH SUBTITLE 7 OF THIS TITLE.**

(c) If a political party chooses to permit voters not affiliated with the party to vote in the party's primary election, the chairman of the party's State central committee shall so notify the State Board at least 6 months before the date of the primary election.

8-710.

(a) (1) Except as provided in paragraph (2) of this subsection, [if there is a vacancy in the office of Representative in Congress,] the Governor shall issue a

proclamation[, ] IN ACCORDANCE WITH THIS SECTION within 10 days after the date that:

(I) [the vacancy occurs or becomes known to the Governor, declaring that a special primary election and a special general election shall be held to fill the vacancy] **AN OFFICE OF REPRESENTATIVE IN CONGRESS BECOMES VACANT; OR**

(II) **THE GOVERNOR ACCEPTS A WRITTEN NOTICE ~~FROM OF~~ THE REPRESENTATIVE ANNOUNCING A FUTURE DATE OF RESIGNATION.**

(2) If the vacancy occurs during the period beginning 60 days before the regular primary election and ending on the last day of the term, the Governor may:

(i) decline to issue a proclamation; and

(ii) allow the office to remain vacant for the remainder of the term.

(b) **EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION:**

(1) [The] **THE** Governor's proclamation shall specify the dates of the special primary election and the special general election[.];

(2) [The] **THE** special primary election shall be held on a Tuesday that is at least 36 days after the date of the proclamation[.]; **AND**

(3) [The] **THE** special general election shall be held on a Tuesday that is at least 36 days after the date of the special primary election.

(c) (1) The Governor shall:

(i) immediately give public notice of the proclamation; and

(ii) deliver the proclamation to the State Administrator.

(2) The State Administrator shall:

(i) immediately notify the State Board members and the local boards of the counties that comprise the congressional district; and

(ii) forward to each of those local boards a copy of the proclamation.

(d) (1) Notwithstanding any other provision of this section, if the vacancy occurs or becomes known to the Governor during the period beginning 120 days before the regular primary election for Representatives in Congress and ending 40 days before the primary election, the Governor's proclamation shall order that:

(i) the special primary election shall be merged with the regular primary election;

(ii) any individual who files a certificate of candidacy for the regular primary election shall be deemed to have filed a certificate of candidacy for the special primary election; and

(iii) any other qualified individual may file a certificate of candidacy, for both the special primary election and the regular primary election, not later than 9 p.m. on the day that is 2 days after the issuance of the proclamation.

(2) A vote cast for a candidate in the merged primary election shall be deemed a vote for that candidate in both the special primary election and the regular primary election.

(3) Two certificates of nomination, one for the special primary election and one for the regular primary election, shall be issued to each candidate nominated in the merged primary election.

(4) Notwithstanding any provision of this article:

(i) a nominee for the special primary election may decline the nomination by notifying the State Board not later than 5 p.m. on the Wednesday following the primary election;

(ii) the appropriate political party shall fill the vacancy in nomination not later than 5 p.m. on the Thursday following the primary election; and

(iii) a petition for recount and recanvass of the special primary election shall be filed not later than 5 p.m. on the Wednesday following the primary election.

**(E) (1) IF THE OFFICE BECOMES VACANT, OR WILL BECOME VACANT, DUE TO RESIGNATION, AFTER THE DATE OF THE REGULAR PRIMARY ELECTION, THE GOVERNOR MAY ISSUE A PROCLAMATION PROVIDING:**

**(I) THAT A SPECIAL PRIMARY ELECTION ~~MAY~~ NOT BE HELD;**

(II) FOR THE DATE OF THE SPECIAL GENERAL ELECTION, WHICH SHALL BE HELD ON A TUESDAY THAT IS AT LEAST 36 DAYS AFTER THE DATE OF THE PROCLAMATION; AND

(III) FOR DATES BY WHICH CERTIFICATES OF CANDIDACY, CERTIFICATES OF NOMINATION, AND PETITIONS MUST BE FILED WITH THE APPROPRIATE BOARD.

(2) IF THE GOVERNOR ISSUES A PROCLAMATION UNDER THIS SUBSECTION:

(I) NOMINATIONS FOR THE OFFICE SHALL BE MADE:

A. WITH RESPECT TO A CANDIDATE OF A POLITICAL PARTY, BY THE STATE CENTRAL COMMITTEE OF THE POLITICAL PARTY, AFTER CONSIDERATION OF THE RECOMMENDATION OF THE LOCAL CENTRAL COMMITTEE OF THE POLITICAL PARTY IN EACH COUNTY THAT IS INCLUDED IN THE DISTRICT OF THE OFFICE; AND

B. WITH RESPECT TO A CANDIDATE NOT AFFILIATED WITH A POLITICAL PARTY, IN ACCORDANCE WITH § 5-703 OF THIS ARTICLE;

(II) NOTWITHSTANDING TITLE 9, SUBTITLE 2 OF THIS ARTICLE, THE STATE ADMINISTRATOR SHALL CERTIFY THE CONTENTS AND ARRANGEMENT OF EACH BALLOT FOR THE SPECIAL GENERAL ELECTION AS SOON AS PRACTICABLE, THE BALLOT SHALL BE POSTED FOR 1 DAY, AND ANY CHALLENGES MUST BE FILED BY 5:00 P.M. ON THE DAY OF THE POSTING;

(III) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE THAT SETS MINIMUM TIME LIMITS AND EXCEPT AS PROVIDED IN ITEM (IV) OF THIS PARAGRAPH, THE STATE ADMINISTRATOR MAY REDUCE THE AMOUNT OF TIME REQUIRED OR ALLOWED FOR ANY ELECTION-RELATED ACTION RELATING TO THE SPECIAL GENERAL ELECTION; AND

(IV) THE STATE ADMINISTRATOR MAY NOT ALTER ANY TIME REQUIREMENT RELATING TO VOTING OR POLLING PLACE PROCEDURES ON ELECTION DAY UNLESS AUTHORIZED BY THE PROCLAMATION.

8-711.

(a) [At] IF THERE IS A SPECIAL PRIMARY ELECTION, AT least 20 days before the special primary election, the State Board shall certify to the appropriate

local boards the name, residence, and party affiliation of each candidate who qualifies to appear on the primary election ballot.

(b) At least 20 days before the special general election, the State Board shall certify to the appropriate local boards the name, residence, and party affiliation of each nominee who qualifies to appear on the general election ballot.

SECTION 2. AND BE IT FURTHER ENACTED, That as to any conflict between this Act and any other provision of the Election Law Article or of any regulation adopted in accordance with the Election Law Article, the provisions of this Act shall prevail.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted. It shall remain effective for a period of 1 year from the date it is enacted, and at the end of the 1-year period, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

May 22, 2008

The Honorable Michael E. Busch  
Speaker of the House  
State House  
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 90 – *Child Welfare – Permanency Planning and Interstate Placement of Foster Children*.

This bill alters the factors a juvenile court is required to consider in making specified findings in permanency planning and review hearings. This bill increases, from 7 to 10, the number of days' notice a local department of social services is required to give to specified persons before permanency planning and review hearings. This bill also requires the court to consult with the child on the record in an age appropriate manner at least every 12 months at a permanency planning or review hearing.

Senate Bill 57, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 90.

Sincerely,

Governor

**House Bill 90**

AN ACT concerning

**Child Welfare – Permanency Planning and Interstate Placement  
of Foster Children**

FOR the purpose of altering the factors a juvenile court is required to consider in making certain findings in certain hearings; altering the number of days' notice a local department of social services is required to give to certain persons before certain hearings; specifying the contents of the notice; requiring the notice to be in writing, unless waived for good cause; clarifying that certain persons have the right to be heard at certain hearings; requiring the court to consult with a child in a certain manner at certain hearings; requiring a local department to

consider certain placements for certain children; correcting an obsolete reference; and generally relating to children in out-of-home placement.

BY repealing and reenacting, with amendments,  
 Article – Courts and Judicial Proceedings  
 Section 3–816.1(c)(3) and 3–823(i) and (j)  
 Annotated Code of Maryland  
 (2006 Replacement Volume and 2007 Supplement)

BY adding to  
 Article – Courts and Judicial Proceedings  
 Section 3–823(k)  
 Annotated Code of Maryland  
 (2006 Replacement Volume and 2007 Supplement)

BY repealing and reenacting, with amendments,  
 Article – Family Law  
 Section 5–525(d) and (e)  
 Annotated Code of Maryland  
 (2006 Replacement Volume and 2007 Supplement)

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

**Article – Courts and Judicial Proceedings**

3–816.1.

(c) In making its findings in accordance with subsection (b) of this section, the court shall consider:

(3) For a hearing under § 3–823 of this subtitle, whether a local department has provided appropriate services that facilitate the achievement of a permanency plan for the child, **INCLUDING CONSIDERATION OF IN-STATE AND OUT-OF-STATE PLACEMENT OPTIONS;**

3–823.

(i) (1) In this subsection, “preadoptive parent” means an individual whom a child placement agency, as defined in § 5–101 of the Family Law Article, approves to adopt a child who has been placed in the individual’s home for adoption before the order of adoption.

(2) (1) If practicable, **BEFORE ANY HEARING CONDUCTED UNDER THIS SECTION**, the local department shall give at least [7] **10** days’ notice

[before any hearing conducted under this section] to the child's foster parent, preadoptive parent, or relative providing care for the child **OF THE DATE, TIME, AND PLACE OF THE HEARING AND OF THE RIGHT TO BE HEARD.**

**(II) UNLESS WAIVED FOR GOOD CAUSE, THE NOTICE SHALL BE IN WRITING.**

(3) The foster parent, preadoptive parent, relative, or an attorney for the foster parent, preadoptive parent, or relative shall be given [an opportunity] **THE RIGHT** to be heard at the hearing.

(4) The foster parent, preadoptive parent, relative, or attorney may not be considered to be a party solely on the basis of the right to notice and [opportunity] **THE RIGHT** to be heard provided under this subsection.

(j) At a review hearing under this section, the court shall consider any written report of a local out-of-home [placement] **CARE** review board required under § 5-545 of the Family Law Article.

**(K) AT LEAST EVERY 12 MONTHS AT A HEARING UNDER THIS SECTION, THE COURT SHALL CONSULT ON THE RECORD WITH THE CHILD IN AN AGE APPROPRIATE MANNER.**

### Article - Family Law

5-525.

(d) (1) Unless a court orders that reasonable efforts are not required under § 3-812 of the Courts Article or § 5-323 of this title, reasonable efforts shall be made to preserve and reunify families:

(i) prior to the placement of a child in an out-of-home placement, to prevent or eliminate the need for removing the child from the child's home; and

(ii) to make it possible for a child to safely return to the child's home.

(2) In determining the reasonable efforts to be made and in making the reasonable efforts described under paragraph (1) of this subsection, the child's safety and health shall be the primary concern.

(3) Reasonable efforts to place a child for adoption or with a legal guardian may be made concurrently with the reasonable efforts described under paragraph (1) of this subsection.

(4) If continuation of reasonable efforts to reunify the child with the child's parents or guardian is determined to be inconsistent with the permanency plan for the child, reasonable efforts shall be made to place the child in a timely manner in accordance with the permanency plan, **INCLUDING CONSIDERATION OF BOTH IN-STATE AND OUT-OF-STATE PLACEMENTS**, and to complete the steps to finalize the permanent placement of the child.

(e) (1) In developing a permanency plan for a child in an out-of-home placement, the local department shall give primary consideration to the best interests of the child, **INCLUDING CONSIDERATION OF BOTH IN-STATE AND OUT-OF-STATE PLACEMENTS**. The local department shall consider the following factors in determining the permanency plan that is in the best interests of the child:

(i) the child's ability to be safe and healthy in the home of the child's parent;

(ii) the child's attachment and emotional ties to the child's natural parents and siblings;

(iii) the child's emotional attachment to the child's current caregiver and the caregiver's family;

(iv) the length of time the child has resided with the current caregiver;

(v) the potential emotional, developmental, and educational harm to the child if moved from the child's current placement; and

(vi) the potential harm to the child by remaining in State custody for an excessive period of time.

(2) To the extent consistent with the best interests of the child in an out-of-home placement, the local department shall consider the following permanency plans, in descending order of priority:

(i) returning the child to the child's parent or guardian, unless the local department is the guardian;

(ii) placing the child with relatives to whom adoption, custody and guardianship, or care and custody, in descending order of priority, are planned to be granted;

(iii) adoption in the following descending order of priority:

1. by a current foster parent with whom the child has resided continually for at least the 12 months prior to developing the permanency plan or for a sufficient length of time to have established positive relationships and family ties; or

2. by another approved adoptive family; or

(iv) another planned permanent living arrangement that:

1. addresses the individualized needs of the child, including the child's educational plan, emotional stability, physical placement, and socialization needs; and

2. includes goals that promote the continuity of relations with individuals who will fill a lasting and significant role in the child's life.

(3) Subject to paragraphs (1) and (2) of this subsection and to the extent consistent with the best interests of a child in an out-of-home placement, in determining a permanency plan, the local department shall consider the following in descending order of priority:

(i) placement of the child in the local jurisdiction where the child's parent or guardian resides; or

(ii) if the local department finds, based on a compelling reason, that placement of the child as described in item (i) of this paragraph is not in the best interest of the child, placement of the child in another jurisdiction in the State after considering:

1. the availability of resources to provide necessary services to the child;

2. the accessibility to family treatment, if appropriate; and

3. the effect on the local school system.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2008.

May 22, 2008

The Honorable Michael E. Busch  
Speaker of the House  
State House  
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 241 – *Anne Arundel County – Health Department – License Fees for Food Establishments*.

This bill requires the Anne Arundel County Council to provide for a license fee schedule based on anticipated costs of licensing, inspecting, and regulating food establishments. This bill adds Anne Arundel County to the list of counties that are exempt from limitations on the amount a county may charge for specified fees for obtaining a license to operate a food establishment.

Senate Bill 121, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 241.

Sincerely,

Governor

### **House Bill 241**

AN ACT concerning

### **Anne Arundel County – Health Department – License Fees for Food Establishments**

FOR the purpose of requiring the Anne Arundel County Council to provide for a certain license fee schedule based on certain anticipated costs; adding Anne Arundel County to the list of counties that are exempt from limitations on the amount a county may charge for certain fees to obtain a license to operate a food establishment; and generally relating to certain license fees in Anne Arundel County.

BY repealing and reenacting, with amendments,  
Article – Health – General  
Section 21–308  
Annotated Code of Maryland  
(2005 Replacement Volume and 2007 Supplement)

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

**Article – Health – General**

21–308.

(a) In this section, “on–farm home processing facility” means a home or domestic kitchen located on an individual’s farm that manufactures and processes foods for commercial sale.

(b) (1) For any license issued for which the authority to conduct a program under this subtitle has been delegated to a county health department:

(i) A county governing body or the Mayor and City Council of Baltimore City may AND THE ANNE ARUNDEL COUNTY COUNCIL SHALL provide for a license fee schedule based on the anticipated cost of licensing, inspecting, and regulating food establishments and may provide for exemptions from the license fee schedule; and

(ii) All license fees shall be paid to the local health department or chief financial officer of the county governing body or Baltimore City.

(2) Except in ANNE ARUNDEL COUNTY, Baltimore City, Montgomery County, and Prince George’s County, a license fee under this subsection may not exceed:

(i) \$300; or

(ii) \$70 for a seasonal food processing operation that:

1. Uses only food that is grown on the property of the licensee; and

2. Is in operation for not more than a 3–month continuous period in the calendar year.

(3) A seasonal food processing operation may obtain a food establishment license for a fee of \$70 under paragraph (2)(ii) of this subsection only twice in a calendar year.

(c) (1) An on-farm home processing facility may obtain an on-farm home processing plant license for a fee established in regulations.

(2) An on-farm home processing facility that obtains an on-farm home processing plant license may manufacture or process only foods provided for in regulations of the department.

(d) For any other food establishment license, the Secretary shall establish a license fee in accordance with § 2-104 of this article.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2008.

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May 22, 2008

The Honorable Michael E. Busch  
Speaker of the House  
State House  
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 314 – *Garrett County – County Commissioners – Agricultural Districts*.

This bill requires the Board of Garrett County Commissioners to adopt specified rules, regulations, and procedures in accordance with specified requirements for the establishment of agricultural districts in Garrett County. This bill also prohibits specified rules, regulations, and procedures from requiring a natural gas rights owner or lessee to subordinate its interest to the Commissioners' interest under specified circumstances. Further, the bill prohibits the purchase of specified easements in Garrett County under specified circumstances.

Senate Bill 260, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 314.

Sincerely,

Governor

**House Bill 314**

AN ACT concerning

**Garrett County – County Commissioners – Agricultural Districts**

FOR the purpose of requiring the Garrett County Board of County Commissioners to adopt certain rules, regulations, and procedures in accordance with certain requirements for the establishment of agricultural districts in Garrett County; prohibiting certain rules, regulations, and procedures adopted by the Commissioners from requiring a natural gas rights owner or lessee to subordinate its interest to the Commissioners' interest under certain circumstances; prohibiting the Maryland Agricultural Land Preservation Foundation from purchasing certain easements in Garrett County under certain circumstances; providing for the construction of this Act; defining certain terms; and generally relating to agricultural districts in Garrett County.

BY adding to

Article 25 – County Commissioners  
Section 237  
Annotated Code of Maryland  
(2005 Replacement Volume and 2007 Supplement)

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

**Article 25 – County Commissioners**

**237.**

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

(2) “ADVISORY BOARD” MEANS THE GARRETT COUNTY AGRICULTURAL PRESERVATION ADVISORY BOARD.

**(3) "COMMISSIONERS" MEANS THE GARRETT COUNTY BOARD OF COUNTY COMMISSIONERS.**

**(B) THIS SECTION APPLIES ONLY TO GARRETT COUNTY.**

**(C) THE COMMISSIONERS SHALL ADOPT RULES, REGULATIONS, AND PROCEDURES FOR:**

**(1) THE ESTABLISHMENT AND MONITORING OF AGRICULTURAL DISTRICTS; AND**

**(2) THE EVALUATION OF LAND TO BE INCLUDED IN AGRICULTURAL DISTRICTS.**

**(D) THE RULES, REGULATIONS, AND PROCEDURES ADOPTED BY THE COMMISSIONERS IN ACCORDANCE WITH THIS SECTION SHALL PROVIDE THAT:**

**(1) ONE OR MORE LANDOWNERS ACTIVELY DEVOTED TO AGRICULTURAL USE MAY FILE A PETITION WITH THE COMMISSIONERS REQUESTING THE ESTABLISHMENT OF AN AGRICULTURAL DISTRICT ON THE LAND OWNED BY THE PETITIONERS;**

**(2) THE PETITION FILED IN ACCORDANCE WITH ITEM (1) OF THIS SUBSECTION INCLUDES MAPS AND DESCRIPTIONS OF THE CURRENT USE OF LAND IN THE PROPOSED DISTRICT;**

**(3) ON RECEIPT OF A PETITION TO ESTABLISH AN AGRICULTURAL DISTRICT, THE COMMISSIONERS SHALL REFER THE PETITION AND ACCOMPANYING MATERIALS TO THE ADVISORY BOARD AND THE COUNTY PLANNING COMMISSION;**

**(4) WITHIN 60 DAYS AFTER THE REFERRAL OF A PETITION, THE ADVISORY BOARD SHALL ADVISE THE COMMISSIONERS:**

**(I) WHETHER THE LAND IN THE PROPOSED DISTRICT MEETS THE REQUIREMENTS ESTABLISHED BY THE COUNTY UNDER SUBSECTION (F) OF THIS SECTION; AND**

**(II) WHETHER THE ADVISORY BOARD RECOMMENDS ESTABLISHMENT OF THE DISTRICT;**

**(5) WITHIN 60 DAYS AFTER THE REFERRAL OF A PETITION, THE COUNTY PLANNING COMMISSION SHALL ADVISE THE COMMISSIONERS:**

**(i) WHETHER ESTABLISHMENT OF THE DISTRICT IS COMPATIBLE WITH EXISTING OR APPROVED COUNTY PLANS AND POLICY; AND**

**(ii) WHETHER THE COUNTY PLANNING COMMISSION RECOMMENDS ESTABLISHMENT OF THE DISTRICT.**

**(6) IF EITHER THE ADVISORY BOARD OR THE COUNTY PLANNING COMMISSION RECOMMENDS APPROVAL, THE COMMISSIONERS SHALL HOLD A PUBLIC HEARING ON THE PETITION;**

**(7) ADEQUATE NOTICE OF A HEARING UNDER ITEM (6) OF THIS SUBSECTION SHALL BE MADE TO:**

**(i) ALL LANDOWNERS IN THE PROPOSED DISTRICT; AND**

**(ii) THE MARYLAND AGRICULTURAL LAND PRESERVATION FOUNDATION;**

**(8) WITHIN 120 DAYS AFTER THE RECEIPT OF THE PETITION OR APPLICATION, THE COMMISSIONERS SHALL DECIDE WHETHER THE PROPOSED AGRICULTURAL DISTRICT WILL BE ESTABLISHED;**

**(9) THE ESTABLISHMENT OF AN AGRICULTURAL DISTRICT DOES NOT TAKE EFFECT UNTIL ALL LANDOWNERS IN THE PROPOSED DISTRICT HAVE EXECUTED AN AGREEMENT WITH THE COMMISSIONERS THAT:**

**(i) IS RECORDED IN THE COUNTY LAND RECORDS;**

**(ii) REQUIRES A LANDOWNER TO KEEP THE LANDOWNER'S LAND IN AGRICULTURAL USE FOR A MINIMUM OF 3 YEARS FROM THE ESTABLISHMENT OF THE AGRICULTURAL DISTRICT; AND**

**(iii) MAINTAINS THE RIGHT OF A LANDOWNER TO SELL AN EASEMENT FOR DEVELOPMENT RIGHTS ON THE LAND TO THE MARYLAND AGRICULTURAL LAND PRESERVATION FOUNDATION;**

**(10) IN THE EVENT OF SEVERE ECONOMIC HARDSHIP, THE COMMISSIONERS MAY RELEASE THE LANDOWNER'S PROPERTY FROM THE AGRICULTURAL DISTRICT;**

**(11) AFTER MEETING THE MINIMUM 3-YEAR REQUIREMENT IN THE AGRICULTURAL DISTRICT AGREEMENT UNDER ITEM (9) OF THIS SUBSECTION, A LANDOWNER MAY TERMINATE THE PROPERTY'S DESIGNATION AS AN AGRICULTURAL DISTRICT BY NOTIFYING THE COMMISSIONERS IN WRITING 1 YEAR BEFORE THE DESIRED DATE OF TERMINATION;**

**(12) AFTER THE ESTABLISHMENT OF AN AGRICULTURAL DISTRICT, THE COMMISSIONERS MAY REVIEW THE USE OF THE LAND WITHIN THE AGRICULTURAL DISTRICT; AND**

**(13) THE COMMISSIONERS MAY APPROVE THE ALTERATION OR TERMINATION OF AN AGRICULTURAL DISTRICT ONLY IF THE USE OF THE LAND WITHIN THE AGRICULTURAL DISTRICT HAS CHANGED SO THAT THE LAND WITHIN THE DISTRICT FAILS TO MEET THE COUNTY REQUIREMENTS UNDER SUBSECTION (F) OF THIS SECTION.**

**(E) RULES, REGULATIONS, OR PROCEDURES ADOPTED BY THE COMMISSIONERS UNDER THIS SECTION MAY NOT REQUIRE A NATURAL GAS RIGHTS OWNER OR LESSEE TO SUBORDINATE ITS INTEREST TO THE COMMISSIONERS' INTEREST IF THE COMMISSIONERS DETERMINE THAT THE EXERCISE OF THE NATURAL GAS RIGHTS WILL NOT INTERFERE WITH AN AGRICULTURAL OPERATION CONDUCTED ON LAND IN THE AGRICULTURAL DISTRICT OR ON LAND SUBJECT TO AN EASEMENT.**

**(F) RULES, REGULATIONS, OR PROCEDURES ADOPTED BY THE COMMISSIONERS RELATING TO LAND THAT MAY BE INCLUDED IN AN AGRICULTURAL DISTRICT SHALL PROVIDE THAT:**

**(1) THE LAND SHALL MEET PRODUCTIVITY, ACREAGE, AND LOCATIONAL CRITERIA DETERMINED BY THE COMMISSIONERS TO BE NECESSARY FOR THE CONTINUATION OF FARMING;**

**(2) THE COMMISSIONERS SHALL ATTEMPT TO PRESERVE THE MINIMUM NUMBER OF ACRES IN A GIVEN AGRICULTURAL DISTRICT THAT MAY REASONABLY BE EXPECTED TO PROMOTE THE CONTINUED AVAILABILITY OF AGRICULTURAL SUPPLIERS AND MARKETS FOR AGRICULTURAL GOODS; AND**

**(3) LAND WITHIN THE BOUNDARIES OF A 10-YEAR WATER AND SEWER SERVICE DISTRICT MAY BE INCLUDED IN AN AGRICULTURAL DISTRICT ONLY IF, IN THE DISCRETION OF THE COMMISSIONERS, THAT LAND IS OUTSTANDING IN PRODUCTIVITY AND IS OF SIGNIFICANT SIZE.**

**(G) (1) LAND MAY BE INCLUDED IN AN AGRICULTURAL DISTRICT ONLY IF THE COUNTY'S RULES, REGULATIONS, AND PROCEDURES GOVERNING THE LAND ALLOW THE ACTIVITIES LISTED UNDER § 2-513 OF THE AGRICULTURE ARTICLE.**

**(2) AGRICULTURAL DISTRICTS MAY BE ESTABLISHED ON ANY LAND IN AGRICULTURAL USE, BUT ONLY IF THE LANDOWNER AGREES TO THE CONDITIONS, RESTRICTIONS, AND LIMITATIONS UNDER § 2-513 OF THE AGRICULTURE ARTICLE.**

**(H) THE MARYLAND AGRICULTURAL LAND PRESERVATION FOUNDATION MAY NOT PURCHASE AN EASEMENT ON LAND THAT IS LOCATED IN THE COUNTY BUT THAT IS OUTSIDE OF AN AGRICULTURAL DISTRICT ESTABLISHED UNDER THIS SECTION.**

**(I) THIS SECTION MAY NOT BE CONSTRUED TO PRECLUDE A LANDOWNER FROM SELLING THE LANDOWNER'S PROPERTY.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2008.

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May 22, 2008

The Honorable Michael E. Busch  
Speaker of the House  
State House  
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 318 – *Anne Arundel County – Prospective or Current Employees or Volunteers – Criminal History Records Checks*.

This bill changes requirements for the Personnel Officer of Anne Arundel County to request State and national criminal records checks from the Criminal Justice Information System Central Repository for a prospective or current employee or

volunteer. This bill also requires the Personnel Officer to submit specified items to the Central Repository. Further, the bill requires the Central Repository to forward the criminal history information to the prospective or current employee or volunteer and the Personnel Officer.

Senate Bill 252, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 318.

Sincerely,

Governor

### House Bill 318

AN ACT concerning

#### **Anne Arundel County - Prospective or Current Employees or Volunteers - Criminal History Records Checks**

FOR the purpose of altering the requirements for the ~~Director of Administration~~ Personnel Officer of Anne Arundel County to request State and national criminal records checks from the Criminal Justice Information System Central Repository for a prospective or current employee or volunteer; requiring the ~~Director of Administration~~ Personnel Officer of Anne Arundel County to submit certain items to the Central Repository; requiring the Central Repository to forward the prospective or current employee's or volunteer's criminal history information to the prospective or current employee or volunteer and the ~~Director of Administration~~ Personnel Officer of Anne Arundel County; providing that certain information obtained from the Central Repository is confidential, may not be redisseminated, and may only be used for a certain ~~employment~~ personnel-related purpose; authorizing the subject of a certain criminal history records check to contest the contents of a certain printed statement; ~~authorizing~~ requiring the County Council to adopt guidelines to carry out this Act; defining a certain term; and generally relating to criminal history records checks for prospective or current employees or volunteers in Anne Arundel County.

BY repealing and reenacting, with amendments,

Article – Criminal Procedure

Section 10-231

Annotated Code of Maryland

(2001 Volume and 2007 Supplement)

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

**Article - Criminal Procedure**

10-231.

(a) **IN THIS SECTION, "CENTRAL REPOSITORY" MEANS THE CRIMINAL JUSTICE INFORMATION SYSTEM CENTRAL REPOSITORY OF THE DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVICES.**

(B) [In accordance with guidelines that the Anne Arundel County Council adopts by resolution, the] ~~THE Director of Administration~~ **PERSONNEL OFFICER** of Anne Arundel County ~~[may request]~~ ~~SHALL APPLY TO FROM THE CENTRAL REPOSITORY FOR~~ a State and national criminal history records check [from the Central Repository] for ~~[a]~~ ~~EACH~~ prospective ~~employee~~ **OR CURRENT EMPLOYEE OR VOLUNTEER** of Anne Arundel County.

[(b) The Director of Administration shall pay to the Department the fee imposed by the Department for each request made under subsection (a) of this section.]

(c) (1) **AS PART OF THE APPLICATION FOR A CRIMINAL HISTORY RECORDS CHECK, THE ~~DIRECTOR OF ADMINISTRATION~~ PERSONNEL OFFICER OF ANNE ARUNDEL COUNTY SHALL SUBMIT TO THE CENTRAL REPOSITORY:**

(i) **TWO COMPLETE SETS OF THE PROSPECTIVE ~~EMPLOYEE'S~~ OR CURRENT EMPLOYEE'S OR VOLUNTEER'S LEGIBLE FINGERPRINTS TAKEN ON FORMS APPROVED BY THE DIRECTOR OF THE CENTRAL REPOSITORY AND THE DIRECTOR OF THE FEDERAL BUREAU OF INVESTIGATION;**

(ii) **THE FEE AUTHORIZED UNDER § 10-221(B)(7) OF THIS SUBTITLE FOR ACCESS TO MARYLAND CRIMINAL HISTORY RECORDS; AND**

(iii) **THE MANDATORY PROCESSING FEE REQUIRED BY THE FEDERAL BUREAU OF INVESTIGATION FOR A NATIONAL CRIMINAL HISTORY RECORDS CHECK.**

(2) **IN ACCORDANCE WITH §§ 10-201 THROUGH 10-250 OF THIS SUBTITLE, THE CENTRAL REPOSITORY SHALL FORWARD TO THE PROSPECTIVE ~~EMPLOYEE~~ OR CURRENT EMPLOYEE OR VOLUNTEER AND THE ~~DIRECTOR OF ADMINISTRATION~~ PERSONNEL OFFICER OF ANNE ARUNDEL COUNTY THE PROSPECTIVE ~~EMPLOYEE'S~~ OR CURRENT EMPLOYEE'S OR VOLUNTEER'S CRIMINAL HISTORY RECORD INFORMATION.**

**(3) INFORMATION OBTAINED FROM THE CENTRAL REPOSITORY UNDER THIS SECTION:**

**(I) IS CONFIDENTIAL AND MAY NOT BE REDISSEMINATED;  
AND**

**(II) MAY BE USED ONLY FOR ~~THE EMPLOYMENT~~ A PERSONNEL-RELATED PURPOSE CONCERNING A PROSPECTIVE OR CURRENT EMPLOYEE OR VOLUNTEER OF THE COUNTY AS AUTHORIZED BY THIS SECTION.**

**(4) THE SUBJECT OF A CRIMINAL HISTORY RECORDS CHECK UNDER THIS SECTION MAY CONTEST THE CONTENTS OF THE PRINTED STATEMENT ISSUED BY THE CENTRAL REPOSITORY AS PROVIDED IN § 10-223 OF THIS SUBTITLE.**

**(D) THE ANNE ARUNDEL COUNTY COUNCIL ~~MAY~~ SHALL ADOPT GUIDELINES TO CARRY OUT THIS SECTION.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2008.

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May 22, 2008

The Honorable Michael E. Busch  
Speaker of the House  
State House  
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 437 - *Harford County - Alcoholic Beverages - Repeal of Class BDR Licenses - Additional Class B Licenses.*

This bill repeals in Harford County the Class BDR (deluxe restaurant) beer, wine and liquor license and all of the privileges, location restrictions, requirements, and other provisions associated with the Class BDR license. The bill also specifies when an independent ownership interest is presumed to exist for a specified purpose and increases to 9, the maximum number of Class B licenses that may be issued to an individual for the use of specified persons.

Senate Bill 62, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 437.

Sincerely,

Governor

**House Bill 437**

AN ACT concerning

**Harford County – Alcoholic Beverages – Repeal of Class BDR Licenses –  
Additional Class B Licenses**

FOR the purpose of repealing in Harford County the Class BDR (deluxe restaurant) beer, wine and liquor license and all of the privileges, location restrictions, requirements, and other provisions associated with the Class BDR license; specifying when an indirect ownership interest is presumed to exist for certain purposes; increasing the maximum number of Class B licenses that may be issued to an individual for the use of certain persons; and generally relating to alcoholic beverages licenses in Harford County.

BY repealing and reenacting, without amendments,  
Article 2B – Alcoholic Beverages  
Section 6–201(n)(1)  
Annotated Code of Maryland  
(2005 Replacement Volume and 2007 Supplement)

BY repealing  
Article 2B – Alcoholic Beverages  
Section 6–201(n)(6)  
Annotated Code of Maryland  
(2005 Replacement Volume and 2007 Supplement)

BY repealing and reenacting, with amendments,  
Article 2B – Alcoholic Beverages  
Section 9–101(k)(7)(ii) and 9–213(e) and (j)

Annotated Code of Maryland  
(2005 Replacement Volume and 2007 Supplement)

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

**Article 2B - Alcoholic Beverages**

6-201.

(n) (1) This subsection applies only in Harford County.

[(6) (i) There is a special 7-day Class B (on-sale) license known as the Class BDR (deluxe restaurant) beer, wine and liquor license.

(ii) The license may be issued only in accordance with the provisions of this paragraph.

(iii) There may be a total of 2 Class BDR licenses issued in accordance with the provisions of this paragraph.

(iv) A current holder of any type of Class B alcoholic beverages license issued in Harford County may apply for and be issued a Class BDR (beer, wine and liquor) license only if the restaurant for which the Class BDR license is sought is located within one of the following areas of Harford County:

1. All of election district 1, precincts 1, 3, 4, 5, 6, 10, 16, and 1-45, as that election district and those precincts existed on January 1, 2001;

2. That area of election district 1, precinct 2, as that election district and that precinct existed on January 1, 2001, that is south of a line that runs along the center of Philadelphia Road beginning at the Harford County-Baltimore County boundary line and ending at the intersection with Old Mountain Road;

3. That area of election district 1, precinct 7, as that election district and that precinct existed on January 1, 2001, that is south of a line that runs along the center of Philadelphia Road beginning at Old Mountain Road and ending at Winter's Run, which is the creek that forms the eastern boundary of precinct 7 of election district 1; or

4. The area within the corporate limits of the municipality of Aberdeen.

(v) Subject to the provisions of subparagraph (vi) of this paragraph, a person that does not currently hold any type of Class B alcoholic beverages license in Harford County may apply for and be issued a maximum of two Class BDR licenses as follows:

1. A Class BDR license, regardless of the location of the restaurant in Harford County; and

2. One additional Class BDR license, but only if the license sought is for a restaurant that is located within one of the following areas in Harford County:

A. All of election district 1, precincts 1, 3, 4, 5, 6, 10, 16, and 1-45, as that election district and those precincts existed on January 1, 2001;

B. That area of election district 1, precinct 2, as that election district and that precinct existed on January 1, 2001, that is south of a line that runs along the center of Philadelphia Road beginning at the Harford County-Baltimore County line and ending at the intersection with Old Mountain Road;

C. That area of election district 1, precinct 7, as that election district and that precinct existed on January 1, 2001, that is south of a line that runs along the center of Philadelphia Road beginning at Old Mountain Road and ending at Winter's Run, which is the creek that forms the eastern boundary of precinct 7 of election district 1; or

D. The area within the corporate limits of the municipality of Aberdeen.

(vi) A person that has obtained a Class BDR license under subparagraph (v)1 of this paragraph may not apply for and obtain any other Class B license other than a license obtained in accordance with subparagraph (v)2 of this paragraph.

(vii) This license may only be issued to restaurants that:

1. Meet the definition requirements of "restaurant" established under the regulations of the Liquor Control Board;

2. Have a cocktail lounge or bar area seating capacity not exceeding 25% of the seating capacity for dining; and

3. Subject to subparagraph (viii) of this paragraph, have a minimum capital investment of \$800,000 exclusive of the cost of the land.

(viii) For purposes of subparagraph (vii) of this paragraph:

1. “Capital investment” means the amount paid to acquire property:

A. For a useful life of greater than 1 year; or

B. For a permanent improvement or betterment of the property that has a useful life greater than 1 year;

2. “Cost of land” includes:

A. The purchase price, taxes, and fees incidental to the purchase, including costs related to obtaining appropriate zoning and licensing;

B. The costs of site grading, preparation, paving, sidewalks, gutters, curbs, and landscaping; and

C. The cost of construction and installation of all utilities.

(ix) 1. If the applicant purchases or leases an existing building, the capital investment attributable to the cost of the land and improvements shall be based on the assessed value of the land and improvements in accordance with the records of the State Department of Assessments and Taxation at the time of purchase.

2. The capital investment in other than land or building shells shall also be evaluated at the fair market value at the time of purchase.

(x) The annual license fee is \$5,000.

(xi) The hours and days that a holder may exercise the privileges of sale under this license are the same as a Class B (on-sale) beer, wine and liquor license.

(xii) A Class BDR license may be issued in addition to any other alcoholic beverages license that the applicant holds.

(xiii) The Liquor Control Board shall adopt regulations to issue the Class BDR license.]

(k) In Harford County, if the application is made for a corporation, whether incorporated or unincorporated or for a limited liability company:

(7) (ii) Stock ownership requirements do not apply to an applicant for a Class B hotel or restaurant beer, wine and liquor license[, ] **OR** a Class BNR beer, wine and liquor license[, or a Class BDR (on-sale) beer, wine and liquor license] in which:

1. A majority of the shares of stock are owned or controlled either directly or indirectly by 1 or more corporations whose shares of stock are authorized for sale by the Securities and Exchange Commission of the United States;

2. At least 1 of the licensees is a resident operator of the business conducted on the licensed premises and that same individual is responsible for the day to day operation of the license;

3. All licensees, including the resident applicant, are named officers of the corporation; and

4. The residency requirement in effect at the time the license is issued remains in effect as long as the license is in effect.

9-213.

(e) **(1)** Except as provided in subsection (j) of this section, in Harford County, a person, franchiser, franchisee, chain store operation, partnership, firm or corporation may not have interest in more than one license, whether held or controlled by direct or indirect ownership, by franchise operation, by stock ownership, interlocking directors or interlocking stock ownership, or in any other manner, directly or indirectly. It is the intention of this section to prohibit any person, franchiser, franchisee, chain store operation, firm, partnership or corporation from having any interest, directly or indirectly, in more than one license. This section does not apply to licenses issued under the provisions of § 7-101 of this article or to club licenses.

**(2) AN INDIRECT OWNERSHIP INTEREST IS PRESUMED TO EXIST BETWEEN ANY COMBINATION OF INDIVIDUALS, CORPORATIONS, LIMITED LIABILITY COMPANIES, PARTNERSHIPS, LIMITED PARTNERSHIPS, JOINT VENTURES, ASSOCIATIONS, OR OTHER PERSONS IF ANY OF THE FOLLOWING CONDITIONS EXIST BETWEEN THEM:**

**(I) A COMMON PARENT COMPANY;**

**(II) A FRANCHISE AGREEMENT;**

**(III) A LICENSING AGREEMENT;**

**(IV) A CONCESSION AGREEMENT;**

**(V) DUAL MEMBERSHIP IN A CHAIN OF BUSINESSES  
COMMONLY OWNED AND OPERATED;**

**(VI) A SHARING OF DIRECTORS, STOCKHOLDERS,  
PARTNERS, OR MEMBERS, OR A SHARING OF DIRECTORS, STOCKHOLDERS,  
PARTNERS, OR MEMBERS OF PARENTS OR SUBSIDIARIES;**

**(VII) COMMON DIRECT OR INDIRECT SHARING OF PROFIT  
FROM THE SALE OF ALCOHOLIC BEVERAGES; OR**

**(VIII) A SHARING OF A COMMON TRADE NAME, TRADEMARK,  
LOGO OR THEME, OR MODE OF OPERATION IDENTIFIABLE BY THE PUBLIC.**

(j) [(1) Subject to the provisions of paragraph (2) of this subsection, in Harford County, the Liquor Control Board may issue additional Class BDR (deluxe restaurant) licenses (on-sale only) to an individual for the use of a sole proprietorship, partnership, corporation, unincorporated association, or limited liability company in the county.

(2)] The maximum number of Class B[, including Class BDR,] licenses that may be issued by the Liquor Control Board to an individual for the use of a sole practitioner, partnership, corporation, unincorporated association, or limited liability company in the county is [two] **9**.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2008.

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May 22, 2008

The Honorable Michael E. Busch  
Speaker of the House  
State House  
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 442 – *Deferred Retirement Option Program Participants – Application of Line of Duty Disability Benefits*.

This bill limits the circumstances under which retirees of the State Police Retirement System or the Law Enforcement Officers' Pension System, that are participating in the Deferred Retirement Option Program, may apply for line of duty disability retirements.

Senate Bill 422, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 442.

Sincerely,

Governor

**House Bill 442**

AN ACT concerning

**Deferred Retirement Option Program Participants – Application of Line of Duty Disability Benefits**

FOR the purpose of limiting the circumstances under which certain retirees of the State Police Retirement System or the Law Enforcement Officers' Pension System who are participating in the Deferred Retirement Option Program may apply for certain disability retirements; providing for the application of this Act; and generally relating to retirees receiving a line of duty disability retirement benefit while participating in the Deferred Retirement Option Program.

BY repealing and reenacting, with amendments,  
Article – State Personnel and Pensions  
Section 24–401.1(k), 26–401.1(k), and 29–111  
Annotated Code of Maryland  
(2004 Replacement Volume and 2007 Supplement)

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

**Article – State Personnel and Pensions**

24-401.1.

(k) (1) A DROP member is eligible to apply for a special disability retirement allowance under § 29-111 of this article **IF AFTER THE DROP MEMBER IS TOTALLY AND PERMANENTLY INCAPACITATED FOR DUTY AS THE NATURAL AND PROXIMATE RESULT OF AN ACCIDENT THAT OCCURRED:**

~~(i) IN THE ACTUAL PERFORMANCE OF DUTY AT A DEFINITE TIME AND PLACE WITHOUT WILLFUL NEGLIGENCE BY THE DROP MEMBER; AND~~

~~(ii) AFTER THE DROP MEMBER COMMENCED PARTICIPATION IN THE DROP; COMMENCES PARTICIPATION IN THE DROP:~~

(i) THE MEMBER IS TOTALLY AND PERMANENTLY INCAPACITATED FOR DUTY ARISING OUT OF OR IN THE COURSE OF THE ACTUAL PERFORMANCE OF DUTY THAT OCCURS WHILE PARTICIPATING IN DROP, AND WITHOUT WILLFUL NEGLIGENCE OF THE MEMBER; AND

(ii) THE MEDICAL BOARD CERTIFIES THAT:

1. THE MEMBER IS TOTALLY INCAPACITATED, EITHER MENTALLY OR PHYSICALLY, FOR THE FURTHER PERFORMANCE OF DUTY BY THE OCCURRENCE DESCRIBED UNDER ITEM (I) OF THIS PARAGRAPH;

2. THE INCAPACITY IS LIKELY TO BE PERMANENT;

AND

3. THE MEMBER SHOULD BE RETIRED.

(2) If the Board of Trustees grants a DROP member a special disability retirement allowance, the DROP member may elect to receive the special disability retirement allowance or continue to participate in the DROP.

(3) (i) If a DROP member elects to receive a special disability retirement allowance instead of continuing to participate in the DROP, the DROP member shall:

1. submit an application to the Board of Trustees, on the form the Board of Trustees provides, to receive payment of the amount accrued in the DROP in accordance with subsection (i) of this section;

2. execute a written waiver of any benefits to which the DROP member may be entitled under the DROP; and

3. submit an application to retire with a special disability retirement allowance, on the form the Board of Trustees provides, stating the effective date of the DROP member's retirement as a special disability retiree.

(ii) On acceptance of the application for payment and application to retire, the Board of Trustees shall commence payment of a special disability allowance to the DROP member as provided in § 29-111(c) of this article, except that the DROP member's average final compensation shall be computed as of the effective date of the DROP member's application for a special disability retirement allowance.

26-401.1.

(k) (1) A DROP member is eligible to apply for an accidental disability retirement allowance under § 29-109 of this article ~~IF AFTER THE DROP MEMBER IS TOTALLY AND PERMANENTLY INCAPACITATED FOR DUTY AS THE NATURAL AND PROXIMATE RESULT OF AN ACCIDENT THAT OCCURRED;~~

~~(I) IN THE ACTUAL PERFORMANCE OF DUTY AT A DEFINITE TIME AND PLACE WITHOUT WILLFUL NEGLIGENCE BY THE DROP MEMBER; AND~~

~~(II) AFTER THE DROP MEMBER COMMENCED PARTICIPATION IN THE DROP. COMMENCES PARTICIPATION IN THE DROP;~~

(I) THE MEMBER IS TOTALLY AND PERMANENTLY INCAPACITATED FOR DUTY ARISING OUT OF OR IN THE COURSE OF THE ACTUAL PERFORMANCE OF DUTY THAT OCCURS WHILE PARTICIPATING IN DROP, AND WITHOUT WILLFUL NEGLIGENCE OF THE MEMBER; AND

(II) THE MEDICAL BOARD CERTIFIES THAT:

1. THE MEMBER IS TOTALLY INCAPACITATED, EITHER MENTALLY OR PHYSICALLY, FOR THE FURTHER PERFORMANCE OF DUTY BY THE OCCURRENCE DESCRIBED UNDER ITEM (I) OF THIS PARAGRAPH;

2. THE INCAPACITY IS LIKELY TO BE PERMANENT;

AND

3. THE MEMBER SHOULD BE RETIRED.

(2) If the Board of Trustees grants a DROP member an accidental disability retirement allowance, the DROP member may elect to receive the accidental disability retirement allowance or continue to participate in the DROP.

(3) (i) If a DROP member elects to receive a disability retirement allowance instead of continuing to participate in the DROP, the DROP member shall:

1. submit an application to the Board of Trustees, on the form the Board of Trustees provides, to receive payment of the amount accrued in the DROP in accordance with subsection (i) of this section;

2. execute a written waiver of any benefits to which the DROP member may be entitled under the DROP; and

3. submit an application to retire with an accidental disability retirement allowance, on the form the Board of Trustees provides, stating the effective date of the DROP member's retirement as an accidental disability retiree.

(ii) On acceptance of the application for payment and application to retire, the Board of Trustees shall commence payment of an accidental disability allowance to the DROP member as provided in § 29-110 of this article, except that the DROP member's average final compensation shall be computed as of the effective date of the DROP member's application for an accidental disability retirement allowance.

29-111.

(a) This section applies to the State Police Retirement System.

(b) **[The] EXCEPT AS PROVIDED IN § 24-401.1(K) OF THIS ARTICLE, THE** Board of Trustees shall grant a special disability retirement allowance to a member if:

(1) the member is totally and permanently incapacitated for duty arising out of or in the course of the actual performance of duty without willful negligence by the member; and

(2) the medical board certifies that:

(i) the member is totally incapacitated, either mentally or physically, for the further performance of duty;

(ii) the incapacity is likely to be permanent; and

(iii) the member should be retired.

(c) Except as provided in subsection (d) of this section, a special disability retirement allowance equals the lesser of:

(1) the member's average final compensation; or

- (2) the sum of:
  - (i) an annuity that is the actuarial equivalent of the member's accumulated contributions at retirement; and
  - (ii) a pension equal to two-thirds of the member's average final compensation.
- (d) (1) This subsection applies to a member who is at least normal retirement age.
- (2) A special disability retirement allowance equals the greater of:
  - (i) a normal service retirement allowance; or
  - (ii) a special disability retirement allowance computed in accordance with subsection (c) of this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply only prospectively and may not be applied or interpreted to have any effect on or application to any individual who on or before June 30, 2008, commenced participation in the Deferred Retirement Option Program under either § 24-401.1 or § 26-401.1 of the State Personnel and Pensions Article.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2008.

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May 22, 2008

The Honorable Michael E. Busch  
Speaker of the House  
State House  
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 472 – *State Retirement and Pension System – Imposition of Administrative Fees on Employers*.

This bill authorizes the Board of Trustees of the State Retirement and Pension System to adopt regulations to impose administrative fees on participating employers that fail to provide information to the State Retirement Agency with regard to the enrollment of eligible employees in the State Retirement and Pension System.

Senate Bill 375, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 472.

Sincerely,

Governor

### **House Bill 472**

AN ACT concerning

### **State Retirement and Pension System – Imposition of Administrative Fees on Employers**

FOR the purpose of authorizing the Board of Trustees of the State Retirement and Pension System to adopt regulations to impose certain fees on certain participating employers that fail to provide certain information to the State Retirement Agency with regard to the enrollment of eligible employees in the State Retirement and Pension System; and generally relating to the imposition of administrative fees on employers participating in the State Retirement and Pension System.

BY repealing and reenacting, with amendments,  
Article – State Personnel and Pensions  
Section 21–110(a)  
Annotated Code of Maryland  
(2004 Replacement Volume and 2007 Supplement)

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

### **Article – State Personnel and Pensions**

21–110.

- (a) The Board of Trustees shall adopt regulations providing for:
  - (1) the administration of the several systems;
  - (2) the management of the assets of the several systems; [and]
  - (3) the transaction of its business; AND

**(4) THE IMPOSITION OF AN ADMINISTRATIVE FEE ON ANY PARTICIPATING EMPLOYER THAT FAILS TO PROVIDE THE INFORMATION REQUIRED BY THE STATE RETIREMENT AGENCY TO PROPERLY ENROLL ELIGIBLE EMPLOYEES IN THE SEVERAL SYSTEMS.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2008.

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May 22, 2008

The Honorable Michael E. Busch  
Speaker of the House  
State House  
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 483 – *Harford County – Special Taxing Districts – Creation*.

This bill authorizes Harford County to create special taxing districts for developing and financing infrastructure improvements. The county may impose *ad valorem* taxes and issue bonds and other obligations to finance the improvement projects. Special taxing districts must be in a designated growth area as defined in the county master plan and land use element plan.

Senate Bill 793, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 483.

Sincerely,

Governor

### House Bill 483

AN ACT concerning

#### Harford County - Special Taxing Districts - Creation

FOR the purpose of authorizing Harford County to exercise certain powers concerning the creation of special taxing districts, the levying of certain taxes, and the issuing of certain bonds for developing and financing certain infrastructure improvements under certain circumstances; authorizing Harford County to create a special taxing district only in certain areas; requiring that a local law creating a special taxing district be enacted in a certain manner; authorizing the governing body of Harford County to consider certain elements of a development that would receive the proceeds of a certain bond at a certain public hearing; ~~requiring certain disclosure to buyers of real property within a special taxing district of certain charges for which the buyer would be liable; providing that failure to provide certain disclosure makes a contract for the purchase of real property within a special taxing district voidable under certain circumstances;~~ requiring that adequate debt service reserve funds be maintained by Harford County; providing that Harford County may establish a special taxing district only if all the owners of real property within the proposed special taxing district petition the county for the creation of the special taxing district; prohibiting a vendor of certain property within a special taxing district from enforcing a contract for the sale of the property unless the purchaser of the property is provided with certain information relating to the special taxing district and the contract of sale contains a certain notice; providing that a vendor may provide a purchaser with certain information by providing the purchaser with a certain collection of documents; providing that a vendor may rely on certain documents filed in the land records when providing the purchaser with certain information; providing that a purchaser under a contract for the sale of certain property within a special taxing district may cancel the contract within a certain time after receiving certain information; providing that unless the purchaser consents, settlement of a contract for the sale of certain property within a special taxing district may not take place within a certain time after a purchaser receives certain information; requiring a vendor to refund certain deposits under certain circumstances; providing that a vendor is liable for certain damages caused by certain false statements or omissions; providing that an action against a vendor for certain false statements or omissions must be brought within a certain time; and generally relating to the authority of Harford County to create special taxing districts for developing and

financing infrastructure improvements and to the sale of property located within certain special taxing districts.

BY repealing and reenacting, without amendments,  
Article 24 – Political Subdivisions – Miscellaneous Provisions  
Section 9–1301(a)  
Annotated Code of Maryland  
(2005 Replacement Volume and 2007 Supplement)

BY repealing and reenacting, with amendments,  
Article 24 – Political Subdivisions – Miscellaneous Provisions  
Section 9–1301(b) and (c)  
Annotated Code of Maryland  
(2005 Replacement Volume and 2007 Supplement)

BY adding to  
Article – Real Property  
Section 10–706  
Annotated Code of Maryland  
(2003 Replacement Volume and 2007 Supplement)

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

**Article 24 – Political Subdivisions – Miscellaneous Provisions**

9–1301.

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

(2) (i) “Bond” means a special obligation bond, revenue bond, note, or other similar instrument issued by the county in accordance with this section.

(ii) “Bond” includes a special obligation bond, revenue bond, note, or similar instrument issued by the revenue authority of Prince George’s County.

(3) “Cost” includes the cost of:

(i) Construction, reconstruction, and renovation, and acquisition of all lands, structures, real or personal property, rights, rights-of-way, franchises, easements, and interests acquired or to be acquired by the county;

(ii) All machinery and equipment including machinery and equipment needed to expand or enhance county services to the special taxing district;

(iii) Financing charges and interest prior to and during construction, and, if deemed advisable by the county, for a limited period after completion of the construction, interest and reserves for principal and interest, including costs of municipal bond insurance and any other type of financial guaranty and costs of issuance;

(iv) Extensions, enlargements, additions, and improvements;

(v) Architectural, engineering, financial, and legal services;

(vi) Plans, specifications, studies, surveys, and estimates of cost and of revenues;

(vii) Administrative expenses necessary or incident to determining to proceed with the infrastructure improvements; and

(viii) Other expenses as may be necessary or incident to the construction, acquisition, and financing of the infrastructure improvements.

(4) In Prince George's County, "cost" includes the cost of renovation, rehabilitation, and repair of existing buildings, internal and external structural systems, elevators, facades, mechanical systems and components, and security systems.

(b) This section applies only to Anne Arundel County, Calvert County, Charles County, Garrett County, **HARFORD COUNTY**, Howard County, Prince George's County, St. Mary's County, Washington County, and Wicomico County.

(c) (1) Subject to the provisions of this section, and for the purpose stated in paragraph (2) of this subsection, the county may:

(i) Create a special taxing district;

(ii) Levy ad valorem or special taxes; and

(iii) Issue bonds and other obligations.

(2) The purpose of the authority granted under paragraph (1) of this subsection is to provide financing, refinancing, or reimbursement for the cost of the design, construction, establishment, extension, alteration, or acquisition of adequate storm drainage systems, sewers, water systems, roads, bridges, culverts, tunnels, streets, sidewalks, lighting, parking, parks and recreation facilities, libraries, schools, transit facilities, solid waste facilities, and other infrastructure improvements as necessary, whether situated within the special taxing district or outside the special taxing district if the infrastructure improvement is reasonably related to other

infrastructure improvements within the special taxing district, for the development and utilization of the land, each with respect to any defined geographic region within the county.

(3) A law enacted by Anne Arundel County under the authority of this section:

(i) Shall specify the types of infrastructure and related costs that may be financed;

(ii) Shall require:

1. Reasonable disclosure in the real estate contract to buyers of real property within a special taxing district of any special assessment, special tax, or other fee or charge for which the buyer would be liable due to the special taxing district;

2. That a seller's failure to provide the disclosure required under subitem 1 of this item renders the contract voidable at the option of the buyer before the date of settlement; and

3. That adequate debt service reserve funds be maintained;

(iii) May not allow:

1. Acceleration of assessments or taxes by reason of bond default; or

2. An increase in the maximum special assessments, special taxes, or other fees or charges applicable to any individual property in the event that other property owners become delinquent in the payment of a special assessment, special tax, or other fee or charge securing special obligation debt issued under this section; and

(iv) May provide:

1. For exemptions, deferrals, and credits; and

2. That a lien attaches to property within a special taxing district to the extent of that property owner's obligation under any special taxing district financing.

(4) Charles County may exercise the authority granted under this section only in commercial or light industrial zones.

(5) Prince George’s County may exercise the authority granted in this subsection to:

- (i) Levy hotel rental taxes; and
- (ii) Provide financing, refinancing, or reimbursement for the costs of:
  - 1. Convention centers, conference centers, and visitors’ centers;
  - 2. Maintenance of infrastructure improvements, convention centers, conference centers, and visitors’ centers;
  - 3. Marketing the special taxing district facilities and other improvements; and
  - 4. Renovation, rehabilitation, and repair of existing buildings, building systems, and components for existing residential condominiums designated as workforce housing as defined in § 4–1801 of the Housing and Community Development Article.

**(6) (I) THIS PARAGRAPH APPLIES ONLY TO HARFORD COUNTY.**

**(II) 1. EXCEPT AS PROVIDED IN SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH, THE COUNTY MAY EXERCISE THE AUTHORITY GRANTED UNDER THIS SECTION ONLY IN DESIGNATED GROWTH AREAS AS DEFINED IN THE COUNTY MASTER PLAN AND LAND USE ELEMENT PLAN.**

**2. THE COUNTY MAY NOT EXERCISE THE AUTHORITY GRANTED UNDER THIS SECTION IN ANY OF THE COUNTY’S RURAL VILLAGES.**

**(III) A LAW CREATING A SPECIAL TAXING DISTRICT SHALL BE ENACTED BY A BILL ADOPTED BY THE COUNTY GOVERNING BODY.**

**(IV) AT THE PUBLIC HEARING ON A BILL CREATING A SPECIAL TAXING DISTRICT, THE COUNTY GOVERNING BODY MAY CONSIDER, AMONG OTHER THINGS, THE FOLLOWING ELEMENTS OF A PROPOSED DEVELOPMENT THAT WOULD RECEIVE THE PROCEEDS OF A PROPOSED BOND UNDER THIS SECTION:**

- 1. DEVELOPMENT DESIGN STANDARDS;**

2. THE USE OF TRANSFER OF DEVELOPMENT RIGHTS OR OTHER METHODS OF ACHIEVING DENSITY OF DEVELOPMENT;

3. DESIGN AND USAGE OF OPEN SPACE; AND

4. AVAILABILITY AND DESIGN OF RECREATIONAL AND EDUCATIONAL FACILITIES.

(V) A LAW ENACTED BY THE COUNTY CREATING A SPECIAL TAXING DISTRICT SHALL REQUIRE:

~~1. REASONABLE DISCLOSURE IN THE REAL ESTATE CONTRACT TO BUYERS OF REAL PROPERTY WITHIN A SPECIAL TAXING DISTRICT OF ANY SPECIAL ASSESSMENT, SPECIAL TAX, OR OTHER FEE OR CHARGE FOR WHICH THE BUYER WOULD BE LIABLE DUE TO THE SPECIAL TAXING DISTRICT;~~

~~2. THAT A SELLER'S FAILURE TO PROVIDE THE DISCLOSURE REQUIRED UNDER ITEM 1 OF THIS SUBPARAGRAPH RENDERS THE CONTRACT VOIDABLE AT THE OPTION OF THE BUYER BEFORE THE DATE OF SETTLEMENT; AND~~

~~3. THAT REQUIRE THAT ADEQUATE DEBT SERVICE RESERVE FUNDS BE MAINTAINED.~~

(VI) NOTWITHSTANDING SUBSECTION (D) OF THIS SECTION, BEFORE THE COUNTY MAY ESTABLISH A SPECIAL TAXING DISTRICT, ALL OF THE OWNERS OF REAL PROPERTY WITHIN THE PROPOSED SPECIAL TAXING DISTRICT MUST PETITION THE COUNTY FOR THE CREATION OF THE SPECIAL TAXING DISTRICT.

Article - Real Property

10-706.

(A) (1) THIS SECTION APPLIES ONLY TO THE SALE OF RESIDENTIAL REAL PROPERTY IN HARFORD COUNTY.

(2) THIS SECTION DOES NOT APPLY TO:

(I) A SALE OF PROPERTY TO A PURCHASER WHO DOES NOT INTEND TO OCCUPY THE PROPERTY; OR

(II) A SALE IN AN ACTION TO FORECLOSE A MORTGAGE, DEED OF TRUST, OR OTHER LIEN.

(B) THE VENDOR OF PROPERTY THAT IS SUBJECT TO A TAX OF A SPECIAL TAXING DISTRICT AS AUTHORIZED IN ARTICLE 24, § 9-1301(C) OF THE CODE MAY NOT ENFORCE A CONTRACT FOR THE SALE OF THE PROPERTY UNLESS:

(1) THE PURCHASER OF THE PROPERTY IS PROVIDED WITH THE FOLLOWING INFORMATION IN WRITING:

(I) A DESCRIPTION OF THE AREA INCLUDED WITHIN THE SPECIAL TAXING DISTRICT;

(II) THE MAXIMUM AMOUNT OF BONDS AND OTHER OBLIGATIONS TO BE ISSUED WITH RESPECT TO THE SPECIAL TAXING DISTRICT;

(III) A DESCRIPTION OF THE PURPOSES FOR WHICH THE SPECIAL TAXING DISTRICT WAS CREATED, AND FOR WHICH THE BONDS OR OTHER OBLIGATIONS HAVE BEEN ISSUED, INCLUDING A DESCRIPTION OF ANY IMPROVEMENTS;

(IV) THE AMOUNT OF SPECIAL TAXES LEVIED ON THE PROPERTY FOR THE MOST RECENT YEAR OR, IF TAXES WERE NOT LEVIED ON THE PROPERTY FOR THE MOST RECENT YEAR, A GOOD-FAITH ESTIMATE OF THE ANNUAL TAX THAT WILL BE LEVIED ON THE PROPERTY;

(V) THE MAXIMUM AMOUNT OF SPECIAL TAXES THAT MAY BE LEVIED ON THE PROPERTY IN A YEAR;

(VI) THE PROJECTED TIME PERIOD OVER WHICH ANY BONDS OR OBLIGATIONS ISSUED IN CONNECTION WITH THE SPECIAL TAXING DISTRICT ARE TO BE REPAID; AND

(VII) A DESCRIPTION OF THE PURCHASER'S RIGHT TO FULLY PREPAY THE SPECIAL TAXING DISTRICT OBLIGATIONS; AND

(2) THE CONTRACT FOR THE SALE OF THE PROPERTY CONTAINS A NOTICE, WRITTEN IN CONSPICUOUS, BOLD, AND UNDERSCORED TYPE, THAT IS SUBSTANTIALLY THE SAME AS THE FOLLOWING:

“NOTICE REQUIRED BY MARYLAND LAW

THE PROPERTY THAT IS THE SUBJECT OF THIS CONTRACT IS LOCATED WITHIN A SPECIAL TAXING DISTRICT, WHICH HAS BEEN CREATED FOR THE PURPOSE OF FINANCING OR REFINANCING THE COSTS RELATED TO CERTAIN INFRASTRUCTURE IMPROVEMENTS WITHIN THE TAXING DISTRICT. THESE COSTS WILL BE REPAID FROM THE PROCEEDS OF SPECIAL TAXES COLLECTED FROM THE OWNERS OF PROPERTIES LOCATED WITHIN THE SPECIAL TAXING DISTRICT.

STATE LAW REQUIRES THAT THE SELLER DISCLOSE TO YOU, AT OR BEFORE THE TIME YOU ENTER INTO THIS CONTRACT, THE FOLLOWING INFORMATION: (1) A DESCRIPTION OF THE AREA INCLUDED WITHIN THE SPECIAL TAXING DISTRICT, (2) THE MAXIMUM AMOUNT OF BONDS AND OTHER OBLIGATIONS TO BE ISSUED WITH RESPECT TO THE SPECIAL TAXING DISTRICT, (3) A DESCRIPTION OF THE PURPOSES FOR WHICH THE SPECIAL TAXING DISTRICT WAS CREATED, AND FOR WHICH THE BONDS OR OTHER OBLIGATIONS HAVE BEEN ISSUED, INCLUDING A DESCRIPTION OF ANY INFRASTRUCTURE IMPROVEMENTS, (4) THE AMOUNT OF SPECIAL TAXES LEVIED ON THE PROPERTY FOR THE MOST RECENT YEAR OR, IF TAXES WERE NOT LEVIED ON THE PROPERTY FOR THE MOST RECENT YEAR, A GOOD-FAITH ESTIMATE OF THE ANNUAL TAX THAT WILL BE LEVIED ON THE PROPERTY, (5) THE MAXIMUM AMOUNT OF SPECIAL TAXES THAT MAY BE LEVIED ON THE PROPERTY IN A YEAR, (6) THE PROJECTED TIME PERIOD OVER WHICH ANY BONDS OR OBLIGATIONS ISSUED IN CONNECTION WITH THE SPECIAL TAXING DISTRICT ARE TO BE REPAID, AND (7) YOUR RIGHT AS THE PROSPECTIVE OWNER OF THE PROPERTY TO FULLY PREPAY THE SPECIAL TAXING DISTRICT OBLIGATIONS WITH RESPECT TO THE PROPERTY.

YOU HAVE 7 CALENDAR DAYS FROM THE DATE YOU RECEIVE THE ABOVE INFORMATION RELATING TO THE SPECIAL TAXING DISTRICT TO CANCEL THIS CONTRACT BY SENDING A WRITTEN NOTICE OF CANCELLATION TO THE SELLER. YOU ARE NOT REQUIRED TO STATE A REASON FOR CANCELLING THE CONTRACT. UPON CANCELLATION OF THE CONTRACT, YOU ARE ENTITLED TO A REFUND OF ANY DEPOSIT YOU MAY HAVE MADE UNDER THIS CONTRACT.

A SELLER MAY NOT REQUIRE THAT YOU WAIVE YOUR RIGHT TO RECEIVE THE INFORMATION RELATING TO THE SPECIAL TAXING DISTRICT OR YOUR RIGHT TO CANCEL THE CONTRACT WITHIN 7 CALENDAR DAYS OF RECEIPT OF THE INFORMATION. A SELLER MAY NOT REQUIRE THAT YOU CLOSE THE SALE UNDER THIS CONTRACT WITHIN 7 CALENDAR DAYS FROM THE DATE YOU RECEIVE THE INFORMATION RELATING TO THE SPECIAL TAXING DISTRICT.

STATE LAW PROVIDES THAT ANY SELLER WHO, IN DISCLOSING THE INFORMATION RELATING TO THE SPECIAL TAXING DISTRICT, MAKES ANY FALSE STATEMENT OF A MATERIAL FACT OR OMITTS A MATERIAL FACT THAT, IN LIGHT OF THE CIRCUMSTANCES UNDER WHICH THE STATEMENTS WERE MADE, IS NECESSARY TO MAKE THE STATEMENTS NOT MISLEADING IS LIABLE TO THE PURCHASER FOR DAMAGES PROXIMATELY CAUSED BY THE SELLER'S FALSE OR OMITTED STATEMENT. ANY ACTION FOR DAMAGES CAUSED BY THE SELLER'S FALSE STATEMENT OR OMISSION OF A MATERIAL FACT MUST BE BROUGHT WITHIN 1 YEAR FROM THE DATE OF CLOSING UNDER THIS CONTRACT.

YOU SHOULD CAREFULLY REVIEW THE INFORMATION RELATING TO THE SPECIAL TAXING DISTRICT PROVIDED BY THE SELLER TO FAMILIARIZE YOURSELF WITH YOUR RIGHTS AND OBLIGATIONS AS A PROSPECTIVE OWNER OF PROPERTY LOCATED WITHIN THE SPECIAL TAXING DISTRICT."

(C) (1) THE REQUIREMENTS OF SUBSECTION (B)(1) OF THIS SECTION SHALL BE DEEMED FULFILLED IF THE INFORMATION REQUIRED TO BE PROVIDED TO THE PURCHASER IS PROVIDED TO THE PURCHASER IN WRITING, IN A CLEAR AND CONCISE MANNER.

(2) A VENDOR MAY PROVIDE THE PURCHASER WITH THE INFORMATION REQUIRED UNDER SUBSECTION (B)(1) OF THIS SECTION BY PROVIDING THE PURCHASER WITH A COLLECTION OF DOCUMENTS IF THE DOCUMENTS CONVEY THE INFORMATION REQUIRED UNDER SUBSECTION (B)(1) OF THIS SECTION IN A CLEAR AND CONCISE MANNER.

(3) IN SATISFYING THE REQUIREMENTS OF SUBSECTION (B)(1) OF THIS SECTION, THE VENDOR MAY RELY ON ANY DOCUMENT THAT, IN CONNECTION WITH THE CREATION OF THE SPECIAL TAXING DISTRICT, WAS FILED BY THE OWNER OF THE PROPERTY IN THE LAND RECORDS OF THE COUNTY IN WHICH THE PROPERTY IS LOCATED.

(D) (1) A PURCHASER UNDER A CONTRACT FOR THE SALE OF PROPERTY THAT IS SUBJECT TO THIS SECTION MAY CANCEL THE CONTRACT WITHIN 7 CALENDAR DAYS OF RECEIVING THE INFORMATION UNDER SUBSECTION (B)(1) OF THIS SECTION BY DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE VENDOR.

(2) UNLESS THE PURCHASER CONSENTS TO AN EARLIER SETTLEMENT DATE, THE SETTLEMENT OF A CONTRACT FOR THE SALE OF PROPERTY THAT IS SUBJECT TO THIS SECTION MAY NOT TAKE PLACE WITHIN 7

CALENDAR DAYS FROM THE DATE THE PURCHASER RECEIVES THE INFORMATION REQUIRED UNDER SUBSECTION (B)(1) OF THIS SECTION.

(3) NOTICE UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE DELIVERED BY:

(I) HAND-DELIVERY; OR

(II) FIRST-CLASS MAIL.

(4) ON CANCELLATION OF A CONTRACT FOR THE PURCHASE OF PROPERTY UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE VENDOR SHALL REFUND TO THE PURCHASER ANY DEPOSITS PAID BY, OR ON BEHALF OF, THE PURCHASER UNDER THE CANCELLED CONTRACT.

(E) (1) ANY VENDOR THAT, IN PROVIDING THE PURCHASER WITH THE INFORMATION REQUIRED UNDER SUBSECTION (B)(1) OF THIS SECTION, MAKES ANY FALSE STATEMENT OF A MATERIAL FACT OR OMITTS A MATERIAL FACT THAT, IN LIGHT OF THE CIRCUMSTANCES UNDER WHICH THE STATEMENTS WERE MADE, IS NECESSARY TO MAKE THE STATEMENTS NOT MISLEADING IS LIABLE TO THE PURCHASER FOR DAMAGES PROXIMATELY CAUSED BY THE VENDOR'S FALSE OR OMITTED STATEMENT.

(2) AN ACTION BROUGHT UNDER PARAGRAPH (1) OF THIS SUBSECTION MUST BE BROUGHT WITHIN 1 YEAR FROM THE DATE OF SETTLEMENT OF THE CONTRACT OF SALE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2008.

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May 21, 2008

The Honorable Michael E. Busch  
Speaker of the House  
State House  
Annapolis MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 501 – *Anne Arundel County – Environmental Health Monitoring – Reimbursement of Costs*.

The bill would require the Maryland Department of the Environment (“Department”) to reimburse Anne Arundel County for any future costs it incurs for environmental health monitoring and testing related to permit violations for which the Department collects a fine. Reimbursement may not exceed the amount of the fine. In addition, this bill would require the Department to retroactively reimburse Anne Arundel County for the testing and monitoring of well water that the County conducted for 83 homes in the vicinity of the Gambrills fly ash disposal site.

In accordance with current law, the Department delegates authority to local health departments to test and certify drinking water wells. The Department currently has a delegation agreement with Anne Arundel County under which the County voluntarily agreed to provide support such as investigation, inspection, monitoring, and sampling for the Department subject to the availability of staff and resources. The agreement does not address funding, nor does it require the County to perform testing or sampling.

Current law does not allow the Department to factor in the costs it or any other governmental entity incurs when assessing an appropriate penalty amount to a party who has violated the State’s environmental laws. All funds, fees, and penalties collected by the Department for groundwater related violations must be paid into the Maryland Clean Water Fund. Reimbursement of expenses for sampling/testing/monitoring is not identified as a permissible use of the Clean Water Fund. Given this legal constraint, the reimbursement required under the bill would have to come from some source other than the Clean Water Fund, most likely from the Department’s already tightly constrained General Fund budget.

Supporters of House Bill 501 argue that the Department should take local testing and monitoring expenses and costs into account when assessing fines related to sites that are permitted by the Department. Unfortunately, as noted above, the law as currently drafted does not allow the Department to shift the burden of those expenses to the parties who violate our State’s environmental laws. Since the bill applies prospectively to any future Anne Arundel County costs, it is impossible to definitively calculate the future fiscal impact, which could be significant.

Thus, while the intent of the bill’s supporters to ultimately shift the costs that local governments incur for testing and monitoring of well water to parties who violate our State’s environmental laws may have merit, the bill is deficient in that it does not directly confront that issue. The Department completes approximately 2,000 enforcement actions a year, including approximately 900 actions for water violations,

in jurisdictions across the State. An indeterminate number of those actions will include some activity by State and local agencies leading up to the action. The Department lacks statutory authority to require reimbursement in assessing the penalty, so the effect of the bill is to divert money from the Department to a local jurisdiction for activities the local jurisdiction has agreed to perform.

The bill is also deficient because it applies only to Anne Arundel County. Many counties provide environmental testing and monitoring services but they would not be eligible for reimbursement under this legislation. Requiring the Department to reimburse the expenses of only one of Maryland's 24 counties, many of which routinely undertake the monitoring, testing, and sampling of well water, is not a rational approach.

The appropriate public policy discussion is whether the Department should be authorized to incorporate reimbursement provisions in the assessment of a penalty, for every jurisdiction in the State. My Administration would be willing to engage in that discussion during the 2009 Session of the Maryland General Assembly. But House Bill 501 does not accomplish that public policy goal – instead, it diverts resources of the Department to reimburse a single local government a specific amount for a past event, and an uncapped, indeterminate amount for future events, for functions the County has agreed to perform.

For the above stated reasons, I have vetoed House Bill 501.

Sincerely,

Governor

**House Bill 501**

AN ACT concerning

**Anne Arundel County - Environmental Health Monitoring - Reimbursement of Costs**

FOR the purpose of requiring the Department of the Environment ~~and the Department of Natural Resources~~ to reimburse Anne Arundel County for the cost of certain environmental health monitoring and testing under certain circumstances; requiring a reimbursement only if a certain fine is collected; limiting the amount of a reimbursement to a certain amount; providing that this Act shall apply retroactively only to certain costs incurred by Anne Arundel County; and generally relating to requiring reimbursement of Anne Arundel County for the cost of certain environmental health monitoring and testing.

BY adding to

Article – Environment  
 Section 1-303  
 Annotated Code of Maryland  
 (2007 Replacement Volume and 2007 Supplement)

~~BY adding to  
 Article – Natural Resources  
 Section 1-802  
 Annotated Code of Maryland  
 (2005 Replacement Volume and 2007 Supplement)~~

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

**Article - Environment**

**1-303.**

(A) ~~SUBJECT~~ **NOTWITHSTANDING ANY OTHER PROVISION OF LAW AND SUBJECT TO SUBSECTION (B) OF THIS SECTION, THE DEPARTMENT SHALL REIMBURSE ANNE ARUNDEL COUNTY FOR COSTS INCURRED BY THE COUNTY IN CONDUCTING ENVIRONMENTAL HEALTH MONITORING OR TESTING RELATED TO A VIOLATION OF THIS ARTICLE THAT OCCURS ON A PROPERTY THAT IS ISSUED A LICENSE OR PERMIT UNDER THIS ARTICLE.**

(B) **A REIMBURSEMENT UNDER THIS SECTION:**

(1) **IS REQUIRED ONLY IF THE DEPARTMENT COLLECTS A FINE AS A RESULT OF THE VIOLATION; AND**

(2) **MAY NOT EXCEED THE AMOUNT OF THE FINE.**

~~**Article – Natural Resources**~~

~~**1-802.**~~

~~(A) **SUBJECT TO SUBSECTION (B) OF THIS SECTION, THE DEPARTMENT SHALL REIMBURSE ANNE ARUNDEL COUNTY FOR COSTS INCURRED BY THE COUNTY IN CONDUCTING ENVIRONMENTAL HEALTH MONITORING OR TESTING RELATED TO A VIOLATION OF THIS ARTICLE THAT OCCURS ON A PROPERTY THAT IS ISSUED A LICENSE OR PERMIT UNDER THIS ARTICLE.**~~

~~(B) **A REIMBURSEMENT UNDER THIS SECTION:**~~

~~(1) IS REQUIRED ONLY IF THE DEPARTMENT COLLECTS A FINE AS A RESULT OF THE VIOLATION; AND~~

~~(2) MAY NOT EXCEED THE AMOUNT OF THE FINE.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply retroactively only to costs incurred by Anne Arundel County between October 2006 and April 2007 for the testing and monitoring of well water for 83 homes and businesses in the vicinity of the Gambrills fly ash disposal site owned by BBSS Inc.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2008.

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May 22, 2008

The Honorable Michael E. Busch  
Speaker of the House  
State House  
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 545 – *Dorchester County – Alcoholic Beverages Act of 2008*.

Among other things, this bill repeals the off-sale privilege of a Class B beer and light wine license in Dorchester County on or after July 1, 2008; and authorizes a holder of a Class B (on-sale and off-sale) beer and light wine license that is issued on or before June 30, 2008, to continue to exercise the privileges of the license and to renew the license.

Senate Bill 154, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 545.

Sincerely,

Governor

**House Bill 545**

AN ACT concerning

**Dorchester County – Alcoholic Beverages Act of 2008**

FOR the purpose of repealing the off-sale privilege of a Class B beer and light wine license in Dorchester County on and after a certain date; authorizing a holder of a Class B (on-sale and off-sale) beer and light wine license in Dorchester County that is issued on or before a certain date to continue to exercise the privileges of the license and to renew the license; prohibiting the Board of License Commissioners from approving the transfer of a certain license on or before a certain date; repealing a requirement that a holder of a certain license must purchase wine from the Dorchester County Liquor Control Board Dispensaries; clarifying that certain restaurants may obtain a certain license from the Board of License Commissioners; clarifying that a certain license provides for the consumption of beer, wine, and liquor; providing certain penalties for the violation of certain requirements regarding catering events; authorizing the Board of License Commissioners to grant a special license entitling the holder to exercise certain privileges at an event conducted by a not for profit club, society, association, or organization; requiring an applicant for a special license to submit to the Board of License Commissioners a certain application on a certain form; authorizing the issuance of Class A beer and wine licenses for certain premises under certain circumstances; *clarifying and* altering the hours of sale for certain licenses; and generally relating to alcoholic beverages in Dorchester County.

BY repealing and reenacting, with amendments,

Article 2B – Alcoholic Beverages

Section 5-201(k), 6-201(k), 7-101(b)(6) ~~and~~, (d)(7), and (n)(2) and (3),  
9-102(b-6), and 11-510(b)(10), (11), (12), and (13)

Annotated Code of Maryland

(2005 Replacement Volume and 2007 Supplement)

BY repealing and reenacting, without amendments,

Article 2B – Alcoholic Beverages

Section 7-101(n)(1) and 11-510(a)

Annotated Code of Maryland

(2005 Replacement Volume and 2007 Supplement)

BY adding to

Article 2B – Alcoholic Beverages

Section 11-510(b)(14)

Annotated Code of Maryland  
(2005 Replacement Volume and 2007 Supplement)

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

**Article 2B - Alcoholic Beverages**

5-201.

(k) (1) In Dorchester County the annual license fee is \$300.

(2) **[A] ON OR AFTER JULY 1, 2008, A Class B (on-sale [and off-sale]) beer and light wine license shall be issued:**

(i) Only to restaurants; and

(ii) Without seating capacity restrictions.

(3) **[The holder of a license shall purchase all of the wine sold under this license from Dorchester County Liquor Control Board Dispensaries.] A HOLDER OF A CLASS B (ON-SALE AND OFF-SALE) BEER AND LIGHT WINE LICENSE ISSUED ON OR BEFORE JUNE 30, 2008, MAY:**

**(I) CONTINUE TO EXERCISE ALL OF THE PRIVILEGES OF THE LICENSE THROUGHOUT THE TERM OF THE LICENSE; AND**

**(II) RENEW THE LICENSE.**

**(4) THE DORCHESTER COUNTY BOARD OF LICENSE COMMISSIONERS MAY NOT APPROVE THE TRANSFER OF A CLASS B (ON-SALE AND OFF-SALE) BEER AND LIGHT WINE LICENSE ISSUED ON OR BEFORE JUNE 30, 2008.**

6-201.

(k) (1) This subsection applies only in Dorchester County.

(2) (i) Bona fide restaurants, motels and hotels having restaurant facilities for serving full-course meals at least twice daily and seating capacity at tables for 75 or more persons, not including seats at bars or counters, may obtain a license from the **[County Commissioners] BOARD OF LICENSE COMMISSIONERS**. This license entitles the licensee to sell beer, wines, and liquors.

(ii) The annual license fee is \$1,000.

(3) This license provides for the consumption of **BEER**, [wine] **WINE**, and liquor on the premises only.

7-101.

(b) (6) In Dorchester County:

(i) A holder of a special Class C beer license or a special Class C beer and wine license may cater an event at the place described in the license on the effective days of the license;

(ii) The fee is \$15 per day; and

(iii) A holder of a special Class C beer license or a special Class C beer and wine license:

1. Shall distribute at the event for which the license is issued a wristband to each individual who is at least 21 years old; and

2. May not serve an alcoholic beverage to any individual who does not wear the wristband.

**(IV) A PERSON WHO VIOLATES THIS PARAGRAPH IS SUBJECT TO:**

**1. FOR THE FIRST OFFENSE, A FINE OF \$50; AND**

**2. FOR THE SECOND OFFENSE, A FINE NOT EXCEEDING \$500 AND DENIAL OF FURTHER REQUESTS FOR LICENSES FOR CATERING ADDITIONAL EVENTS.**

(d) (7) In Dorchester County:

(i) A holder of a special Class C beer, wine and liquor license may cater an event at the place described in the license on the effective days of the license;

(ii) The fee is \$25 per day; and

(iii) A holder of a special Class C beer, wine and liquor license:

1. Shall distribute at the event for which the license is issued a wristband to each individual who is at least 21 years old; and

2. May not serve an alcoholic beverage to any individual who does not wear the wristband.

(IV) A PERSON WHO VIOLATES THIS PARAGRAPH IS SUBJECT TO:

1. FOR THE FIRST OFFENSE, A FINE OF \$50; AND

2. FOR THE SECOND OFFENSE, A FINE NOT EXCEEDING \$500 AND DENIAL OF FURTHER REQUESTS FOR LICENSES FOR CATERING ADDITIONAL EVENTS.

(n) (1) This subsection applies only in Dorchester County.

(2) The Board of License Commissioners may grant a special license of any class, except for any license issued by the Comptroller, that entitles the holder to exercise any of the privileges conferred by that class at an event conducted by a NOT FOR PROFIT club, society, association, or organization.

(3) [A license shall be in the form provided by the Board, and the licensee shall sign the license.] AN APPLICANT FOR A LICENSE SHALL SUBMIT TO THE BOARD A COMPLETED, SIGNED, AND NOTARIZED APPLICATION ON THE FORM THAT THE BOARD PROVIDES.

9-102.

(b-6) (1) Notwithstanding any other provision of this section, in Dorchester County an additional Class A beer license **OR CLASS A BEER AND WINE LICENSE** may be issued for any premises licensed under a Class B or Class D license.

(2) The Board of License Commissioners of Dorchester County may limit the number of additional Class A beer licenses **AND CLASS A BEER AND WINE LICENSES** that it issues.

11-510.

(a) This section applies only in Dorchester County.

(b) Notwithstanding any other provisions of this subtitle, the hours for sale for alcoholic beverages are as follows:

(10) For the holders of a Class A beer and light wine license, sales are permitted:

(i) Monday through Saturday from 6 a.m. through [1 a.m. the following day] **MIDNIGHT**; and

(ii) Sunday from [12 noon] **6 A.M.** through [12] midnight, except if Christmas Eve or New Year's Eve is on a Sunday, from [12 noon] **6 A.M.** through 2 a.m. the following day.

(11) For the holders of a Class C beer and light wine license, sales are permitted:

(i) Monday through Saturday from 6 a.m. through 1:45 a.m. the following day; and

(ii) Sunday from [12] noon through [12] midnight, except if Christmas Eve or New Year's Eve is on a Sunday, from [12] noon through 2 a.m. the following day.

(12) For the holders of a Class D beer and light wine license, sales are permitted:

(i) Monday through Saturday from 6 a.m. through 1:45 a.m. the following day; and

(ii) Sunday from [12] noon through [12] midnight, except if Christmas Eve or New Year's Eve is on a Sunday, from [12] noon through 2 a.m. the following day.

(13) For the holders of a Class A beer, wine and liquor license, sales are permitted:

(i) Monday through Saturday from 6 a.m. through [12] midnight [the following day]; and

(ii) Sunday from [12 noon] **6 A.M.** through [12] midnight, except if Christmas Eve or New Year's Eve is on a Sunday, from [12 noon] **6 A.M.** through 2 a.m. the following day.

**(14) FOR THE HOLDERS OF A CLASS D BEER, WINE AND LIQUOR LICENSE, SALES ARE ALLOWED:**

**(I) MONDAY THROUGH SATURDAY FROM 6 A.M. THROUGH 1:45 A.M. THE FOLLOWING DAY; AND**

(II) SUNDAY FROM NOON THROUGH MIDNIGHT, EXCEPT IF CHRISTMAS EVE OR NEW YEAR'S EVE IS ON A SUNDAY, FROM NOON THROUGH 2 A.M. THE FOLLOWING DAY.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2008.

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May 22, 2008

The Honorable Michael E. Busch  
Speaker of the House  
State House  
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 588 – *Calvert County – Sheriff – Pensions*.

This bill permits an individual who has served as Sheriff of Calvert County to participate in the Calvert County Employees' Savings Plan.

Senate Bill 326, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 588.

Sincerely,

Governor

**House Bill 588**

AN ACT concerning

**Calvert County – Sheriff – Pensions**

FOR the purpose of ~~requiring that any individual who has served as Sheriff of Calvert County since a certain date and for a certain period of time receive a certain pension; requiring that the pension be paid at least at certain intervals of time;~~

~~making stylistic changes; permitting certain individuals serving as the Sheriff of Calvert County to participate in the Calvert County Employees' Savings Plan; and generally relating to pensions for sheriffs of Calvert County.~~

BY repealing and reenacting, ~~with~~ without amendments,  
 Article – Courts and Judicial Proceedings  
 Section 2–309(f)(4)  
 Annotated Code of Maryland  
 (2006 Replacement Volume and 2007 Supplement)

BY adding to  
Article – Courts and Judicial Proceedings  
Section 2–309(f)(6)  
Annotated Code of Maryland  
(2006 Replacement Volume and 2007 Supplement)

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

**Article – Courts and Judicial Proceedings**

2–309.

(f) (4) (i) ~~Except as provided in subparagraph (ii) of this paragraph, any~~ ~~A~~ Sheriff of Calvert County who, since 1948, has served for three or more terms shall receive a pension when ~~he~~ ~~THE SHERIFF~~ leaves office in the annual amount of \$150 for each year served.

~~(ii)~~ ~~This~~ ~~A~~ pension ~~AUTHORIZED UNDER SUBPARAGRAPH (i) OF THIS PARAGRAPH~~ shall be paid ~~not less frequently than~~ ~~AT LEAST~~ once a month.

~~(ii)~~ This paragraph does not apply to a term of office that begins on or after July 1, 1988.

**(6) (i) THIS PARAGRAPH APPLIES TO AN INDIVIDUAL WHO:**

**1. ON OR AFTER JULY 1, 2008, SERVES AS THE SHERIFF OF CALVERT COUNTY; AND**

**2. AS THE SHERIFF OF CALVERT COUNTY DOES NOT PARTICIPATE IN THE EMPLOYEES' PENSION SYSTEM UNDER TITLE 23 OF THE STATE PERSONNEL AND PENSIONS ARTICLE.**

**(II) AN INDIVIDUAL DESCRIBED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH MAY PARTICIPATE IN THE CALVERT COUNTY EMPLOYEES' SAVINGS PLAN.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2008.

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May 22, 2008

The Honorable Michael E. Busch  
Speaker of the House  
State House  
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 728 – *Corporations – Objecting Stockholders – Right to Fair Value of Stock*.

This bill alters the circumstances under which a stockholder of a Maryland corporation who objects to specified transactions may demand and receive the fair value of the stockholder's stock. This bill also authorizes a stockholder to demand the fair value of stock listed on a national securities exchange under specified circumstances. Further, the bill alters the definition of "beneficial owner" under the Maryland Business Combination Act to exclude, under specified circumstances, a person that holds a revocable proxy from a stockholder.

Senate Bill 556, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 728.

Sincerely,

Governor

**House Bill 728**

AN ACT concerning

**Corporations - Objecting Stockholders - Right to Fair Value of Stock**

FOR the purpose of altering the circumstances under which a stockholder of a Maryland corporation who objects to certain transactions may demand and receive the fair value of the stockholder's stock; authorizing a stockholder to demand the fair value of stock listed on a national securities exchange under certain circumstances; repealing obsolete references to certain securities quotations systems; altering the definition of "beneficial owner" under the Maryland Business Combination Act to exclude, under certain circumstances, a person that holds a revocable proxy from a stockholder; defining certain terms; making certain stylistic and conforming changes; and generally relating to rights of objecting stockholders.

BY repealing and reenacting, with amendments,  
 Article – Corporations and Associations  
 Section 3–201, 3–202(c), and 3–601(d)  
 Annotated Code of Maryland  
 (2007 Replacement Volume)

BY adding to  
 Article – Corporations and Associations  
 Section 3–202(d) and (e)  
 Annotated Code of Maryland  
 (2007 Replacement Volume)

BY repealing and reenacting, without amendments,  
 Article – Corporations and Associations  
 Section 3–601(a)  
 Annotated Code of Maryland  
 (2007 Replacement Volume)

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

**Article – Corporations and Associations**

3–201.

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

(B) "AFFILIATE" HAS THE MEANING STATED IN § 3–601 OF THIS TITLE.

(C) "ASSOCIATE" HAS THE MEANING STATED IN § 3-601 OF THIS TITLE.

(D) "BENEFICIAL OWNER", WHEN USED WITH RESPECT TO ANY VOTING STOCK, MEANS A PERSON THAT:

(1) INDIVIDUALLY OR WITH ANY OF ITS AFFILIATES OR ASSOCIATES, BENEFICIALLY OWNS VOTING STOCK, DIRECTLY OR INDIRECTLY;

(2) INDIVIDUALLY OR WITH ANY OF ITS AFFILIATES OR ASSOCIATES, HAS:

(i) THE RIGHT TO ACQUIRE VOTING STOCK (WHETHER THE RIGHT IS EXERCISABLE IMMEDIATELY OR WITHIN 60 DAYS AFTER THE DATE ON WHICH BENEFICIAL OWNERSHIP IS DETERMINED), IN ACCORDANCE WITH ANY AGREEMENT, ARRANGEMENT, OR UNDERSTANDING, ON THE EXERCISE OF CONVERSION RIGHTS, EXCHANGE RIGHTS, WARRANTS, OR OPTIONS, OR OTHERWISE; OR

(ii) EXCEPT SOLELY BY VIRTUE OF A REVOCABLE PROXY, THE RIGHT TO VOTE VOTING STOCK IN ACCORDANCE WITH ANY AGREEMENT, ARRANGEMENT, OR UNDERSTANDING; OR

(3) EXCEPT SOLELY BY VIRTUE OF A REVOCABLE PROXY, HAS ANY AGREEMENT, ARRANGEMENT, OR UNDERSTANDING FOR THE PURPOSE OF ACQUIRING, HOLDING, VOTING, OR DISPOSING OF VOTING STOCK WITH ANY OTHER PERSON THAT BENEFICIALLY OWNS, OR THE AFFILIATES OR ASSOCIATES OF WHICH BENEFICIALLY OWN, DIRECTLY OR INDIRECTLY, THE VOTING STOCK.

(E) "EXECUTIVE OFFICER" MEANS A CORPORATION'S PRESIDENT, ANY VICE PRESIDENT IN CHARGE OF A PRINCIPAL BUSINESS UNIT, DIVISION, OR FUNCTION, SUCH AS SALES, ADMINISTRATION, OR FINANCE, ANY OTHER PERSON WHO PERFORMS A POLICY MAKING FUNCTION FOR THE CORPORATION, OR ANY EXECUTIVE OFFICER OF A SUBSIDIARY OF THE CORPORATION WHO PERFORMS A POLICY MAKING FUNCTION FOR THE CORPORATION.

[(a)] (F) (1) [In this subsection,] "SUCCESSOR", except [as provided in subsection (b) of this section, "successor"] WHEN USED WITH RESPECT TO A SHARE EXCHANGE, includes a corporation which amends its charter in a way which alters the contract rights, as expressly set forth in the charter, of any outstanding stock, unless the right to do so is reserved by the charter of the corporation.

**[(b)] (2) [When] “SUCCESSOR”, WHEN used with [reference] RESPECT to a share exchange, [“successor”] means the corporation the stock of which was acquired in the share exchange.**

**(g) “VOTING STOCK” HAS THE MEANING STATED IN § 3-601 OF THIS TITLE.**

3-202.

(c) Unless the transaction is governed by § 3-602 of this title or is exempted by § 3-603(b) of this title, a stockholder may not demand the fair value of the stockholder's stock and is bound by the terms of the transaction if:

(1) **[The] EXCEPT AS ~~OTHERWISE~~ PROVIDED IN SUBSECTION (D) OF THIS SECTION, ANY SHARES OF THE CLASS OR SERIES OF THE stock [is] ARE listed on a national securities exchange[, is designated as a national market system security on an interdealer quotation system by the National Association of Securities Dealers, Inc., or is designated for trading on the NASDAQ Small Cap Market]:**

(i) With respect to a merger under § 3-106 of this title of a 90 percent or more owned subsidiary with or into its parent corporation, on the date notice is given or waived under § 3-106 of this title; or

(ii) With respect to any other transaction, on the record date for determining stockholders entitled to vote on the transaction objected to;

(2) The stock is that of the successor in a merger, unless:

(i) The merger alters the contract rights of the stock as expressly set forth in the charter, and the charter does not reserve the right to do so; or

(ii) The stock is to be changed or converted in whole or in part in the merger into something other than either stock in the successor or cash, scrip, or other rights or interests arising out of provisions for the treatment of fractional shares of stock in the successor;

(3) The stock is not entitled, other than solely because of § 3-106 of this title, to be voted on the transaction or the stockholder did not own the shares of stock on the record date for determining stockholders entitled to vote on the transaction;

(4) The charter provides that the holders of the stock are not entitled to exercise the rights of an objecting stockholder under this subtitle; or

(5) The stock is that of an open-end investment company registered with the Securities and Exchange Commission under the Investment Company Act of 1940 and the value placed on the stock in the transaction is its net asset value.

**(D) WITH RESPECT TO A MERGER, CONSOLIDATION, OR SHARE EXCHANGE, A STOCKHOLDER OF A MARYLAND CORPORATION WHO OTHERWISE WOULD BE BOUND BY THE TERMS OF THE TRANSACTION UNDER SUBSECTION (C)(1) OF THIS SECTION MAY DEMAND THE FAIR VALUE OF THE STOCKHOLDER'S STOCK IF:**

**(1) IN THE TRANSACTION, STOCK OF THE CORPORATION IS REQUIRED TO BE CONVERTED INTO OR EXCHANGED FOR ANYTHING OF VALUE EXCEPT:**

**(i) STOCK OF THE CORPORATION SURVIVING OR RESULTING FROM THE MERGER, CONSOLIDATION, OR SHARE EXCHANGE, STOCK OF ANY OTHER CORPORATION, OR DEPOSITARY RECEIPTS FOR ANY STOCK DESCRIBED IN THIS ITEM;**

**(ii) CASH IN LIEU OF FRACTIONAL SHARES OF STOCK OR FRACTIONAL DEPOSITARY RECEIPTS DESCRIBED IN ITEM (i) OF THIS ITEM; OR**

**(iii) ANY COMBINATION OF THE STOCK, DEPOSITARY RECEIPTS, AND CASH IN LIEU OF FRACTIONAL SHARES OR FRACTIONAL DEPOSITARY RECEIPTS DESCRIBED IN ITEMS (i) AND (ii) OF THIS ITEM;**

**(2) THE DIRECTORS AND EXECUTIVE OFFICERS OF THE CORPORATION WERE THE BENEFICIAL OWNERS, IN THE AGGREGATE, OF 5 PERCENT OR MORE OF THE OUTSTANDING VOTING STOCK OF THE CORPORATION AT ANY TIME WITHIN THE 1-YEAR PERIOD ENDING ON:**

**(i) THE DAY THE STOCKHOLDERS VOTED ON THE TRANSACTION OBJECTED TO; OR**

**(ii) WITH RESPECT TO A MERGER UNDER § 3-106 OF THIS TITLE, THE EFFECTIVE DATE OF THE MERGER; AND**

**(3) UNLESS THE STOCK IS HELD IN ACCORDANCE WITH A COMPENSATORY PLAN OR ARRANGEMENT APPROVED BY THE BOARD OF DIRECTORS OF THE CORPORATION AND THE TREATMENT OF THE STOCK IN THE TRANSACTION IS APPROVED BY THE BOARD OF DIRECTORS OF THE CORPORATION, ANY STOCK HELD BY PERSONS DESCRIBED IN ITEM (2) OF THIS SUBSECTION, AS PART OF OR IN CONNECTION WITH THE TRANSACTION AND**

WITHIN THE 1-YEAR PERIOD DESCRIBED IN ITEM (2) OF THIS SUBSECTION, WILL BE OR WAS CONVERTED INTO OR EXCHANGED FOR STOCK OF A PERSON, OR AN AFFILIATE OF A PERSON, WHO IS A PARTY TO THE TRANSACTION ON TERMS THAT ARE NOT AVAILABLE TO ALL HOLDERS OF STOCK OF THE SAME CLASS OR SERIES.

(E) IF DIRECTORS OR EXECUTIVE OFFICERS OF THE CORPORATION ARE BENEFICIAL OWNERS OF STOCK IN ACCORDANCE WITH § 3-201(D)(2)(I) OF THIS SUBTITLE, THE STOCK IS CONSIDERED OUTSTANDING FOR PURPOSES OF DETERMINING BENEFICIAL OWNERSHIP BY A PERSON UNDER SUBSECTION (D)(2) OF THIS SECTION.

3-601.

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

(d) "Beneficial owner", when used with respect to any voting stock, means a person THAT:

(1) [That, individually] **INDIVIDUALLY** or with any of its affiliates or associates, beneficially owns voting stock, directly or indirectly; [or]

(2) [That, individually] **INDIVIDUALLY** or with any of its affiliates or associates, has:

(i) The right to acquire voting stock (whether [such] **THE** right is exercisable immediately or only after the passage of time), [pursuant to] **IN ACCORDANCE WITH** any agreement, arrangement, or understanding [or upon], **ON** the exercise of conversion rights, exchange rights, [warrants] **WARRANTS**, or options, or otherwise; or

(ii) [The] **EXCEPT SOLELY BY VIRTUE OF A REVOCABLE PROXY, THE** right to vote voting stock [pursuant to] **IN ACCORDANCE WITH** any agreement, arrangement, or understanding; or

(3) [That] **EXCEPT SOLELY BY VIRTUE OF A REVOCABLE PROXY,** has any agreement, arrangement, or understanding for the purpose of acquiring, holding, voting, or disposing of voting stock with any other person that beneficially owns, or [whose] **THE** affiliates or associates **OF WHICH** beneficially own, directly or indirectly, [such shares of] **THE** voting stock.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2008.

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May 22, 2008

The Honorable Michael E. Busch  
Speaker of the House  
State House  
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 915 – *Surety Insurers – Failure to Pay Bail Bond Judgment – Penalties*.

This bill provides that a surety insurer that is precluded or removed from a specified list by a circuit court due to failure to timely resolve or satisfy specified bail bond forfeitures shall be subject to specified penalties. This bill also requires a clerk of a circuit court to notify the Maryland Insurance Commissioner of the names of specified surety insurers and specified bond forfeitures at a specified time.

Senate Bill 571, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 915.

Sincerely,

Governor

**House Bill 915**

AN ACT concerning

**Surety Insurers – Failure to Pay Bail Bond Judgment – Penalties**

FOR the purpose of providing that a surety insurer that is precluded or removed from a certain list by a circuit court due to failure to timely resolve or satisfy certain bail bond forfeitures shall be subject to certain penalties; requiring a clerk of a circuit court to notify the Maryland Insurance Commissioner of the names of

certain surety insurers and certain bond forfeitures at a certain time; and generally relating to failure of a surety insurer to pay bail bond judgments.

BY repealing and reenacting, with amendments,

Article – Insurance

Section 21–103

Annotated Code of Maryland

(2006 Replacement Volume and 2007 Supplement)

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

**Article – Insurance**

21–103.

(a) A surety insurer that is removed by the District Court from the list of surety insurers eligible to post bonds with the court because that surety insurer failed to timely resolve or satisfy one or more bail bond forfeitures appearing on the District Court’s list of absolute bond forfeitures in default shall be subject to the penalties under § 4–113 of this article.

**(B) A SURETY INSURER THAT IS PRECLUDED OR REMOVED BY A CIRCUIT COURT FROM THE LIST OF SURETY INSURERS ELIGIBLE TO POST BONDS WITH ANY CIRCUIT COURT BECAUSE THAT SURETY INSURER FAILED TO TIMELY RESOLVE OR SATISFY ONE OR MORE BAIL BOND FORFEITURE JUDGMENTS SHALL BE SUBJECT TO THE PENALTIES UNDER § 4–113 OF THIS ARTICLE.**

**[(b)] (C)** Within 14 days after the failure of a surety insurer to resolve or satisfy all bond forfeitures in default by the District Court’s **OR CIRCUIT COURT’S** deadline, the **[District Court]** clerk **OF THE APPLICABLE COURT** shall notify the Commissioner, in writing, of the name of that surety insurer and each bond forfeiture that was not resolved or satisfied by the **[District Court]** **APPLICABLE COURT’S** deadline.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2008.

May 22, 2008

The Honorable Michael E. Busch  
Speaker of the House  
State House  
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 1555 – *Baltimore City Land Bank Authority*.

This bill authorizes Baltimore City to establish a land bank authority for the purpose of acquiring, rehabilitating, or transferring real property or an interest in real property. The bill prohibits the land bank authority from exercising eminent domain actions or levying any tax. The bill further authorizes Baltimore City to take specified actions by ordinance to provide for the disposition of property and obligations of the authority on its termination.

Senate Bill 911, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 1555.

Sincerely,

Governor

**House Bill 1555**

AN ACT concerning

**Baltimore City Land Bank Authorities – Establishment by Counties**  
**Authority**

FOR the purpose of authorizing ~~a county~~ Baltimore City to establish a land bank authority by ordinance; requiring an ordinance establishing an authority to include certain articles of incorporation; requiring certain articles of incorporation to be filed, accepted, and amended in a certain manner; authorizing ~~a county creating an authority~~ Baltimore City to take certain actions by ordinance; providing for the disposition of property and obligations of an authority on termination; requiring an ordinance creating an authority to establish and provide for a board of directors; ~~providing that the procedures of a county incorporating an authority control in certain circumstances~~; establishing

the powers of an authority; authorizing an authority to delegate certain powers; ~~authorizing an authority to purchase, own, or sell property located outside of a certain county;~~ authorizing an authority to employ certain staff and retain certain consultants; authorizing a court to appoint an authority to serve as a certain receiver; requiring an authority to adopt a certain code of ethics; ~~establishing,~~ establish certain policies and procedures, and ~~complying~~ comply with certain provisions of law; providing that the procedures of Baltimore City control certain matters under certain circumstances; authorizing an authority to exercise certain powers of ~~a county~~ Baltimore City; ~~providing an authority with certain immunities;~~ authorizing an authority to take certain actions relating to property held or owned by an authority; requiring property held by an authority to be inventoried and classified in a certain manner; prohibiting a certain register of deeds from charging a certain fee; providing certain tax exemptions for certain properties, activities, and principal, interest, and income from bonds; authorizing an authority to bring a certain civil action; requiring an authority to be made a party to certain actions; prohibiting a certain proceeding from being held until certain service of process is made; establishing that property and income of an authority is for a certain purpose; providing that an authority is subject to certain local zoning laws, permitting processes, and land use controls; requiring an authority to make a certain annual report to the Mayor and City Council of Baltimore City and the General Assembly in a certain time period; authorizing an authority to issue certain bonds for certain purposes under certain circumstances; authorizing an authority to issue certain bond anticipation notes; authorizing an authority to take certain actions in connection with bonds issued by an authority; requiring an authority to pass a certain resolution in connection with each issue of its bonds; authorizing an authority to enter into certain trust agreements in connection with bonds issued by an authority; requiring an authority to convey title and release certain collateral under certain circumstances; authorizing certain persons to bring certain actions; defining certain terms; providing for the construction of this Act; establishing that the powers granted in this Act are supplemental to certain other powers; establishing that this Act does not authorize an authority to exercise certain powers or levy certain taxes or assessments; and generally relating to ~~land bank authorities~~ the Baltimore City Land Bank Authority.

BY adding to

Article 24 – Political Subdivisions – Miscellaneous Provisions

Section 22-101 through 22-212 to be under the new title “Title 22. Baltimore City Land Bank Authorities Authority”

Annotated Code of Maryland

(2005 Replacement Volume and 2007 Supplement)

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

Article 24 - Political Subdivisions - Miscellaneous Provisions

**TITLE 22. BALTIMORE CITY LAND BANK ~~AUTHORITIES~~ AUTHORITY.**

**SUBTITLE 1. GENERAL PROVISIONS.**

**22-101.**

(A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) "AUTHORITY" MEANS A NONPROFIT OR QUASI-GOVERNMENTAL ENTITY CREATED BY ~~A COUNTY~~ BALTIMORE CITY UNDER § 22-103 OF THIS SUBTITLE.

(C) "BOARD" MEANS THE BOARD OF DIRECTORS OF ~~AN~~ THE AUTHORITY.

(D) (1) "BOND" MEANS A BOND ISSUED BY ~~AN~~ THE AUTHORITY UNDER THIS SUBTITLE.

(2) "BOND" INCLUDES A BOND, A REFUNDING BOND, A NOTE, AND ANY OTHER OBLIGATION.

(E) "COST" INCLUDES:

(1) THE PURCHASE PRICE OF PROPERTY;

(2) THE COST TO ACQUIRE ANY RIGHT, TITLE, OR INTEREST IN PROPERTY;

(3) THE COST OF ANY IMPROVEMENTS MADE TO PROPERTY;

(4) THE AMOUNT TO BE PAID TO DISCHARGE EACH OBLIGATION NECESSARY OR DESIRABLE TO VEST TITLE TO ANY PART OF PROPERTY IN ~~AN~~ THE AUTHORITY OR OTHER OWNER;

(5) THE COST OF ANY PROPERTY, RIGHT, EASEMENT, FRANCHISE, AND PERMIT ASSOCIATED WITH A PROJECT;

(6) THE COST OF LABOR, MACHINERY, AND EQUIPMENT NECESSARY TO IMPLEMENT A PROJECT;

(7) FINANCING CHARGES;

(8) INTEREST AND RESERVES FOR PRINCIPAL AND INTEREST AND FOR IMPROVEMENTS;

(9) THE COST OF REVENUE AND COST ESTIMATES, ENGINEERING AND LEGAL SERVICES, PLANS, SPECIFICATIONS, STUDIES, SURVEYS, AND OTHER EXPENSES NECESSARY OR INCIDENT TO DETERMINING THE FEASIBILITY OR PRACTICABILITY OF A PROJECT;

(10) ADMINISTRATIVE EXPENSES; AND

(11) OTHER EXPENSES AS NECESSARY OR INCIDENT TO:

(i) FINANCING A PROJECT;

(ii) ACQUIRING AND IMPROVING A PROJECT;

(iii) PLACING A PROJECT IN OPERATION, INCLUDING REASONABLE PROVISION FOR WORKING CAPITAL; AND

(iv) OPERATING AND MAINTAINING A PROJECT.

(F) "FINANCE" INCLUDES REFINANCE.

(G) (1) "PROJECT" MEANS ANY ORGANIZED PLAN CARRIED OUT BY ~~AN~~ THE AUTHORITY IN RELATION TO:

(i) ACQUIRING AND REHABILITATING ABANDONED AND DILAPIDATED PROPERTIES; AND

(ii) MARKETING AND LEASING OR SELLING THE REHABILITATED PROPERTIES.

(2) "PROJECT" INCLUDES:

(i) ACQUIRING LAND OR AN INTEREST IN LAND;

(ii) ACQUIRING STRUCTURES, EQUIPMENT, AND FURNISHINGS LOCATED ON A PROPERTY;

(iii) ACQUIRING PROPERTY THAT IS FUNCTIONALLY RELATED AND SUBORDINATE TO A PROJECT; AND

(IV) OBTAINING OR CONTRACTING FOR ANY SERVICES NECESSARY FOR THE REHABILITATION OF A PROPERTY.

(H) (1) "REVENUES" MEANS THE INCOME, REVENUE, AND OTHER MONEY ~~AN~~ THE AUTHORITY RECEIVES FROM OR IN CONNECTION WITH A PROJECT AND ALL OTHER INCOME OF ~~AN~~ THE AUTHORITY.

(2) "REVENUES" INCLUDES GRANTS, RENTALS, RATES, FEES, AND CHARGES.

(I) "TAX SALE PROPERTY" MEANS PROPERTY OR AN INTEREST IN PROPERTY SOLD BY THE TAX COLLECTOR OF ~~THE COUNTY~~ BALTIMORE CITY IN ACCORDANCE WITH TITLE 14, SUBTITLE 8, PART III OF THE TAX - PROPERTY ARTICLE.

(J) (1) "TRUST AGREEMENT" MEANS AN AGREEMENT ENTERED INTO BY ~~AN~~ THE AUTHORITY TO SECURE A BOND.

(2) "TRUST AGREEMENT" MAY INCLUDE A BOND CONTRACT, BOND RESOLUTION, OR OTHER CONTRACT WITH OR FOR THE BENEFIT OF A BONDHOLDER.

22-102.

(A) THIS TITLE SHALL BE LIBERALLY CONSTRUED TO ACCOMPLISH ITS PURPOSES.

(B) THE POWERS GRANTED TO ~~AN~~ THE AUTHORITY UNDER THIS SECTION SHALL BE CONSTRUED AS SUPPLEMENTAL AND IN ADDITION TO POWERS GRANTED TO ~~AN~~ THE AUTHORITY UNDER ANY STATE OR LOCAL LAW.

(C) THIS TITLE DOES NOT AUTHORIZE ~~AN~~ THE AUTHORITY TO:

(1) EXERCISE THE POWER OF EMINENT DOMAIN; OR

(2) LEVY ANY TAX OR SPECIAL ASSESSMENT.

22-103.

(A) BY ORDINANCE, ~~THE LEGISLATIVE BODY OF A COUNTY~~ BALTIMORE CITY MAY ESTABLISH A LAND BANK AUTHORITY IN ACCORDANCE WITH THIS TITLE.

~~(B) AN ORDINANCE ADOPTED UNDER SUBSECTION (A), (F), OR (G) OF THIS SECTION:~~

~~(1) IS ADMINISTRATIVE IN NATURE;~~

~~(2) IS NOT SUBJECT TO REFERENDUM; AND~~

~~(3) IN A COUNTY THAT HAS A PUBLICLY ELECTED CHIEF EXECUTIVE, IS SUBJECT TO APPROVAL BY THE CHIEF EXECUTIVE.~~

~~(C) SUBSECTION (A) OF THIS SECTION IS SELF EXECUTING AND FULLY AUTHORIZES A COUNTY TO ESTABLISH AN AUTHORITY, NOTWITHSTANDING ANY OTHER STATUTORY OR CHARTER PROVISION.~~

~~(D) AN ORDINANCE ADOPTED UNDER SUBSECTION (A) OF THIS SECTION SHALL INCLUDE PROPOSED ARTICLES OF INCORPORATION OF AN THE AUTHORITY THAT STATE:~~

~~(1) THE NAME OF THE AUTHORITY, WHICH SHALL BE "LAND BANK AUTHORITY OF ~~(NAME OF THE INCORPORATING COUNTY)~~ BALTIMORE CITY";~~

~~(2) THAT THE AUTHORITY IS FORMED UNDER THIS TITLE;~~

~~(3) THE NAMES, ADDRESSES, AND TERMS OF OFFICE OF THE INITIAL MEMBERS OF THE BOARD OF DIRECTORS OF THE AUTHORITY;~~

~~(4) THE ADDRESS OF THE PRINCIPAL OFFICE OF THE AUTHORITY;~~

~~(5) THE PURPOSES FOR WHICH THE AUTHORITY IS FORMED; AND~~

~~(6) THE POWERS OF THE AUTHORITY SUBJECT TO THE LIMITATIONS ON THE POWERS OF AN THE AUTHORITY UNDER THIS TITLE.~~

~~(E) (C) (1) THE ~~CHIEF EXECUTIVE OF THE INCORPORATING COUNTY~~ MAYOR OF BALTIMORE CITY, OR ANY ~~OTHER~~ OFFICIAL DESIGNATED IN THE ORDINANCE ESTABLISHING AN THE AUTHORITY, SHALL EXECUTE AND FILE THE ARTICLES OF INCORPORATION OF THE AUTHORITY FOR ~~RECORD~~ RECORDATION WITH THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION.~~

(2) WHEN THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION ACCEPTS THE ARTICLES OF INCORPORATION FOR ~~RECORD~~ RECORDATION, THE AUTHORITY BECOMES A BODY POLITIC AND CORPORATE AND AN INSTRUMENTALITY OF ~~THE INCORPORATING COUNTY~~ BALTIMORE CITY.

(3) ACCEPTANCE OF THE ARTICLES OF INCORPORATION FOR ~~RECORD~~ RECORDATION BY THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION IS CONCLUSIVE EVIDENCE OF THE FORMATION OF THE AUTHORITY.

~~(F)~~ (D) (1) BY ORDINANCE, ~~THE LEGISLATIVE BODY OF THE INCORPORATING COUNTY~~ BALTIMORE CITY MAY ADOPT AN AMENDMENT TO THE ARTICLES OF INCORPORATION OF ~~AN~~ THE AUTHORITY.

(2) ARTICLES OF AMENDMENT MAY CONTAIN ANY PROVISION THAT LAWFULLY COULD BE CONTAINED IN ARTICLES OF INCORPORATION AT THE TIME OF THE AMENDMENT.

(3) THE ARTICLES OF AMENDMENT SHALL BE FILED FOR ~~RECORD~~ RECORDATION WITH THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION.

(4) THE ARTICLES OF AMENDMENT ARE EFFECTIVE AS OF THE TIME THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION ACCEPTS THE ARTICLES FOR ~~RECORD~~ RECORDATION.

(5) ACCEPTANCE OF THE ARTICLES OF AMENDMENT FOR ~~RECORD~~ RECORDATION BY THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION IS CONCLUSIVE EVIDENCE THAT THE ARTICLES HAVE BEEN LAWFULLY AND PROPERLY ADOPTED.

~~(G)~~ (E) (1) SUBJECT TO THE PROVISIONS OF THIS SECTION AND ANY LIMITATIONS IMPOSED BY LAW ON THE IMPAIRMENT OF CONTRACTS, ~~THE INCORPORATING COUNTY~~ BALTIMORE CITY, IN ITS SOLE DISCRETION, BY ORDINANCE MAY:

(i) SET OR CHANGE THE STRUCTURE, ORGANIZATION, PROCEDURES, PROGRAMS, OR ACTIVITIES OF ~~AN~~ THE AUTHORITY; OR

(ii) TERMINATE THE AUTHORITY.

(2) ON TERMINATION OF THE AUTHORITY:

(I) TITLE TO ALL PROPERTY OF THE AUTHORITY SHALL BE TRANSFERRED TO AND SHALL VEST IN ~~THE INCORPORATING COUNTY~~ BALTIMORE CITY; AND

(II) ALL OBLIGATIONS OF THE AUTHORITY SHALL BE TRANSFERRED TO AND ASSUMED BY ~~THE INCORPORATING COUNTY~~ BALTIMORE CITY.

22-104.

~~(A)~~ AN ORDINANCE THAT CREATES A LAND BANK AUTHORITY SHALL ESTABLISH A BOARD OF DIRECTORS TO GOVERN ~~AN~~ THE AUTHORITY AND SHALL INCLUDE PROVISIONS FOR:

- (1) APPOINTMENT PROCEDURES;
- (2) TERM LENGTHS;
- (3) REMOVAL PROCEDURES;
- (4) ELECTION OF A CHAIR; AND
- (5) POWERS OF THE BOARD.

~~(B) EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE OR THE ORDINANCE ESTABLISHING THE AUTHORITY, THE PROCEDURES OF THE INCORPORATING COUNTY CONTROL ANY MATTER RELATING TO THE INTERNAL ADMINISTRATION OF THE AUTHORITY.~~

22-105.

(A) EXCEPT AS LIMITED BY THE AUTHORITY'S ARTICLES OF INCORPORATION, ~~AN~~ THE AUTHORITY HAS ALL THE POWERS SET FORTH IN THIS SUBTITLE.

(B) ~~AN~~ THE AUTHORITY MAY:

- (1) ADOPT BYLAWS FOR THE CONDUCT OF BUSINESS OF THE AUTHORITY;
- (2) SUE AND BE SUED;

(3) MAINTAIN AN OFFICE AT A PLACE THE AUTHORITY DESIGNATES;

(4) BORROW MONEY;

(5) ISSUE BONDS AND OTHER OBLIGATIONS FOR ANY CORPORATE PURPOSE IN ACCORDANCE WITH THIS TITLE OR AN ORDINANCE ADOPTED UNDER THIS TITLE;

(6) INVEST MONEY OF THE AUTHORITY IN INSTRUMENTS, OBLIGATIONS, SECURITIES, OR PROPERTY;

(7) ENTER INTO CONTRACTS AND EXECUTE THE INSTRUMENTS OR AGREEMENTS NECESSARY OR CONVENIENT TO CARRY OUT THIS TITLE OR AN ORDINANCE ADOPTED UNDER THIS TITLE TO ACCOMPLISH THEIR PURPOSES;

(8) SOLICIT AND ACCEPT GIFTS, GRANTS, LOANS, OR OTHER ASSISTANCE IN ANY FORM FROM ANY PUBLIC OR PRIVATE SOURCE, SUBJECT TO THE PROVISIONS OF THIS TITLE OR ANY ORDINANCE ADOPTED UNDER THIS TITLE;

(9) PARTICIPATE IN ANY WAY IN A PROGRAM OF THE FEDERAL GOVERNMENT, THE STATE, A POLITICAL SUBDIVISION OF THE STATE, OR AN INTERGOVERNMENTAL ENTITY CREATED UNDER THE LAWS OF THE STATE;

(10) CONTRACT FOR GOODS AND SERVICES;

(11) STUDY, DEVELOP, AND PREPARE REPORTS OR PLANS TO ASSIST IN THE AUTHORITY'S EXERCISE OF POWERS AND TO MONITOR AND EVALUATE THE AUTHORITY'S PROGRESS;

(12) CONTRACT WITH PUBLIC OR PRIVATE ENTITIES FOR THE PROVISION OF SERVICES NECESSARY FOR THE MANAGEMENT AND OPERATION OF THE AUTHORITY;

(13) PROVIDE ACQUISITION, MANAGEMENT, AND SALE SERVICES TO ~~A COUNTY~~ BALTIMORE CITY FOR ~~COUNTY-OWNED~~ CITY-OWNED PROPERTY;

(14) CREATE, OWN, CONTROL, OR BE A MEMBER OF A CORPORATION, LIMITED LIABILITY COMPANY, PARTNERSHIP, OR OTHER PERSON, WHETHER OPERATED FOR PROFIT OR NOT FOR PROFIT, FOR THE PURPOSES OF DEVELOPING PROPERTY IN ORDER TO MAXIMIZE MARKETABILITY;

(15) EXERCISE A POWER USUALLY POSSESSED BY A PRIVATE CORPORATION IN PERFORMING SIMILAR FUNCTIONS UNLESS TO DO SO WOULD CONFLICT WITH STATE LAW; AND

(16) DO ALL THINGS NECESSARY OR CONVENIENT TO CARRY OUT THE POWERS EXPRESSLY GRANTED BY THIS TITLE OR BY AN ORDINANCE ADOPTED UNDER THIS TITLE.

(C) ~~AN~~ THE AUTHORITY MAY DELEGATE TO A MEMBER OR OFFICER A POWER GRANTED TO THE AUTHORITY BY THIS TITLE, INCLUDING THE POWER TO EXECUTE A BOND, OBLIGATION, CERTIFICATE, DEED, LEASE, MORTGAGE AGREEMENT, OR OTHER DOCUMENT OR INSTRUMENT.

22-106.

~~(A)~~ ~~AN~~ THE AUTHORITY MAY:

(1) ACQUIRE, DIRECTLY OR THROUGH A PERSON OR GOVERNMENTAL ENTITY, BY GIFT, DEVISE, TRANSFER, EXCHANGE, FORECLOSURE, PURCHASE, OR OTHERWISE ON TERMS AND CONDITIONS AND IN A MANNER THE AUTHORITY CONSIDERS PROPER, REAL PROPERTY OR RIGHTS OR INTERESTS IN REAL PROPERTY;

(2) OWN IN THE AUTHORITY'S NAME PROPERTY ACQUIRED BY OR CONVEYED TO THE AUTHORITY BY THE STATE, ~~A FORECLOSING GOVERNMENTAL UNIT~~, A LOCAL GOVERNMENT, AN INTERGOVERNMENTAL AGENCY CREATED UNDER THE LAWS OF THIS STATE, OR ANY OTHER PUBLIC OR PRIVATE PERSON, INCLUDING TAX FORECLOSED PROPERTY AND PROPERTY WITHOUT CLEAR TITLE;

(3) SELL, LEASE AS LESSOR, TRANSFER, AND DISPOSE OF THE AUTHORITY'S PROPERTY OR INTEREST IN PROPERTY;

(4) PROCURE INSURANCE AGAINST LOSS IN CONNECTION WITH THE PROPERTY, ASSETS, OR ACTIVITIES OF THE AUTHORITY; AND

(5) EXECUTE DEEDS, MORTGAGES, CONTRACTS, LEASES, PURCHASES, OR OTHER AGREEMENTS REGARDING THE PROPERTY OF THE AUTHORITY.

~~(B) PROPERTY PURCHASED, OWNED, OR SOLD UNDER THIS SECTION MAY BE LOCATED OUTSIDE OF THE COUNTY IN WHICH THE AUTHORITY IS LOCATED.~~

22-107.

AN AUTHORITY MAY EMPLOY STAFF AND RETAIN CONSULTANTS AS EMPLOYEES OR AGENTS THAT THE AUTHORITY CONSIDERS NECESSARY AND SET THEIR COMPENSATION.

22-108.

THE COURT MAY APPOINT ~~AN~~ THE AUTHORITY TO SERVE AS A RECEIVER IN A RECEIVERSHIP PROCEEDING FILED BY ~~A COUNTY~~ BALTIMORE CITY.

22-109.

(A) AN THE AUTHORITY SHALL:

(1) ADOPT A CODE OF ETHICS FOR THE AUTHORITY'S DIRECTORS, OFFICERS, AND EMPLOYEES;

(2) ESTABLISH POLICIES AND PROCEDURES REQUIRING THE DISCLOSURE OF RELATIONSHIPS THAT MAY GIVE RISE TO A CONFLICT OF INTEREST, INCLUDING REQUIRING THAT ANY MEMBER OF THE BOARD WITH A DIRECT OR INDIRECT INTEREST IN A MATTER BEFORE THE AUTHORITY DISCLOSE THE MEMBER'S INTEREST TO THE BOARD BEFORE THE BOARD TAKES ANY ACTION ON THE MATTER; AND

(3) COMPLY WITH:

~~(i) THE THE STATE OPEN MEETINGS ACT UNDER TITLE 10, SUBTITLE 5 AND SUBTITLE 6, PART III OF THE STATE GOVERNMENT ARTICLE; AND~~

~~(ii) TITLE 10, SUBTITLE 6, PART III OF THE STATE GOVERNMENT ARTICLE.~~

(B) EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE OR THE ORDINANCE ESTABLISHING AN AUTHORITY, THE PROCEDURES OF BALTIMORE CITY CONTROL ANY MATTER RELATING TO THE INTERNAL ADMINISTRATION OF THE AUTHORITY.

22-110.

(A) ~~AN THE~~ THE AUTHORITY MAY EXERCISE THE POWERS GRANTED TO ~~THE GOVERNING BODY OF A COUNTY~~ BALTIMORE CITY UNDER §§ 14-825 THROUGH 14-831 OF THE TAX - PROPERTY ARTICLE.

(B) ~~AN THE~~ THE AUTHORITY ~~HAS~~ MAY HAVE THE SAME IMMUNITIES AS A ~~COUNTY~~ BALTIMORE CITY.

22-111.

(A) ~~AN AUTHORITY MAY, WITHOUT THE APPROVAL OF THE COUNTY IN WHICH A PROPERTY IS LOCATED, HOLD, MANAGE, MAINTAIN, OPERATE, REPAIR, LEASE AS LESSOR, SECURE, PREVENT THE WASTE OR DETERIORATION OF, DEMOLISH, AND TAKE ALL OTHER ACTIONS NECESSARY TO PRESERVE THE VALUE OF THE PROPERTY IT HOLDS OR OWNS.~~

~~(B)~~ WITH RESPECT TO PROPERTY HELD OR OWNED BY THE AUTHORITY, THE AUTHORITY MAY:

- (1) GRANT OR ACQUIRE A LICENSE, EASEMENT, OR OPTION;
- (2) FIX, CHARGE, AND COLLECT RENTS, FEES, AND CHARGES FOR USE OF THE PROPERTY;
- (3) PAY TAXES OR SPECIAL ASSESSMENTS DUE;
- (4) TAKE ANY ACTION, PROVIDE ANY NOTICE, OR INSTITUTE ANY PROCEEDING REQUIRED TO CLEAR OR QUIET TITLE IN ORDER TO ESTABLISH OWNERSHIP BY AND VEST TITLE TO PROPERTY IN THE AUTHORITY; ~~AND~~
- (5) ~~REMEDiate ENVIRONMENTAL CONTAMINATION~~ ABATE VIOLATIONS OF THE LOCAL AND STATE BUILDING, FIRE, HEALTH, AND RELATED CODES; AND
- (6) HOLD, MANAGE, MAINTAIN, OPERATE, REPAIR, LEASE AS LESSOR, SECURE, PREVENT THE WASTE OR DETERIORATION OF, DEMOLISH, AND TAKE ALL OTHER ACTIONS NECESSARY TO PRESERVE THE VALUE OF THE PROPERTY IT HOLDS OR OWNS.

~~(C)~~ (B) ~~AN THE~~ THE AUTHORITY SHALL BE MADE A PARTY TO, AND SHALL DEFEND ANY ACTION OR PROCEEDING CONCERNING, CLAIMS AGAINST PROPERTY HELD BY THE AUTHORITY.

22-112.

(A) PROPERTY HELD BY ~~AN~~ THE AUTHORITY SHALL BE INVENTORIED AND CLASSIFIED ACCORDING TO TITLE STATUS AND SUITABILITY FOR USE.

(B) A REGISTER OF DEEDS IN ~~A COUNTY IN WHICH PROPERTY OWNED BY AN AUTHORITY IS LOCATED~~ BALTIMORE CITY MAY NOT CHARGE A FEE TO RECORD A DOCUMENT EVIDENCING THE TRANSFER UNDER THIS TITLE OF PROPERTY TO THE AUTHORITY BY THE STATE OR ~~A COUNTY~~ BALTIMORE CITY.

22-113.

(A) FOLLOWING AN UNSUCCESSFUL ATTEMPT ON THE PART OF ~~THE COUNTY~~ BALTIMORE CITY TO COLLECT OUTSTANDING LIENS AT TAX SALE AND SUBJECT TO THE APPROVAL OF THE ~~LOCAL~~ TAX COLLECTING UNIT OF ~~THE JURISDICTION WHERE THE PROPERTY IS LOCATED~~ BALTIMORE CITY, ~~AN THE~~ AUTHORITY MAY ACCEPT FROM A PERSON WITH AN INTEREST IN A PARCEL OF TAX DELINQUENT PROPERTY OR TAX SALE PROPERTY A DEED OR ASSIGNMENT CONVEYING THAT PERSON'S INTEREST IN THE PROPERTY INSTEAD OF:

(1) THE FORECLOSURE OR SALE OF THE PROPERTY FOR DELINQUENT TAXES, PENALTIES, AND INTEREST, AS DEFINED BY § 14-801(C) OF THE TAX - PROPERTY ARTICLE; OR

(2) DELINQUENT SPECIFIC TAXES LEVIED BY A ~~COUNTY, MUNICIPAL CORPORATION, OR OTHER~~ LOCAL TAXING JURISDICTION.

(B) EXCEPT AS OTHERWISE PROVIDED BY LAW, CONVEYANCE OF PROPERTY BY DEED INSTEAD OF FORECLOSURE UNDER THIS SECTION MAY NOT AFFECT OR IMPAIR ANY OTHER LIEN AGAINST THE PROPERTY OR ANY EXISTING RECORDED OR UNRECORDED INTEREST IN THE PROPERTY, INCLUDING:

- (1) FUTURE INSTALLMENTS OF SPECIAL ASSESSMENTS;
- (2) LIENS RECORDED BY THE STATE;
- (3) EASEMENTS OR RIGHTS-OF-WAY;
- (4) PRIVATE DEED RESTRICTIONS;
- (5) SECURITY INTERESTS AND MORTGAGES; OR

(6) TAX LIENS OF OTHER TAXING JURISDICTIONS ~~OR A FORECLOSING GOVERNMENTAL UNIT THAT DOES~~ THAT DO NOT CONSENT TO A RELEASE OF THEIR LIENS.

(C) A TAX LIEN AGAINST PROPERTY HELD BY OR UNDER THE CONTROL OF ~~AN~~ THE AUTHORITY MAY BE RELEASED OR ABATED AT ANY TIME BY ONE OR MORE OF THE FOLLOWING:

(1) ~~THE COUNTY OR MUNICIPAL CORPORATION~~ BALTIMORE CITY WITH RESPECT TO A LIEN HELD BY ~~THE COUNTY OR MUNICIPAL CORPORATION~~ BALTIMORE CITY;

(2) THE GOVERNING BODY OF ANY TAXING JURISDICTION OTHER THAN THE STATE, COUNTY, OR MUNICIPAL CORPORATION WITH RESPECT TO A LIEN HELD BY THE TAXING JURISDICTION;

(3) A ~~FORECLOSING GOVERNMENTAL ENTITY~~ PUBLIC WATER OR SEWER AUTHORITY WITH RESPECT TO A TAX LIEN OR RIGHT TO COLLECT A TAX HELD BY THE ~~FORECLOSING GOVERNMENTAL ENTITY~~ PUBLIC WATER OR SEWER AUTHORITY; OR

(4) THE STATE ~~TREASURER~~ COMPTROLLER WITH RESPECT TO A STATE TAX LIEN.

22-114.

(A) MONEY RECEIVED BY ~~AN~~ THE AUTHORITY AS PAYMENT OF TAXES, PENALTIES, OR INTEREST, OR FROM THE REDEMPTION OR SALE OF PROPERTY SUBJECT TO A TAX LIEN OF ANY TAXING UNIT SHALL BE RETURNED TO THE LOCAL TAX COLLECTING UNIT IN THE JURISDICTION WHERE THE PROPERTY IS LOCATED FOR DISTRIBUTION ON A PRO RATA BASIS TO THE APPROPRIATE TAXING UNITS IN AN AMOUNT EQUAL TO DELINQUENT TAXES, PENALTIES, AND INTEREST OWED ON THE PROPERTY.

(B) PROCEEDS RECEIVED BY ~~AN~~ THE AUTHORITY MAY BE RETAINED BY THE AUTHORITY FOR THE PURPOSES OF THIS TITLE, UNLESS OTHERWISE DESIGNATED BY:

- (1) THIS SUBTITLE;
- (2) THE PROVISIONS OF A DEED;
- (3) ANY OTHER LAW; OR

**(4) AN AGREEMENT OF THE AUTHORITY.**

**22-115.**

**(A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, ~~AN~~ THE AUTHORITY IS EXEMPT FROM ANY REQUIREMENT TO PAY STATE OR LOCAL TAXES OR ASSESSMENTS ON THE AUTHORITY'S PROPERTIES, ACTIVITIES, OR ANY REVENUE FROM THE PROPERTIES OR ACTIVITIES.**

**(B) PROPERTY THAT ~~AN~~ THE AUTHORITY SELLS OR LEASES TO A PRIVATE ENTITY IS SUBJECT TO STATE AND LOCAL PROPERTY TAXES FROM THE TIME OF THE SALE OR LEASE.**

**(C) THE PRINCIPAL OF AND INTEREST ON BONDS, THE TRANSFER OF BONDS, AND ANY INCOME DERIVED FROM THE BONDS, INCLUDING PROFITS MADE ON THEIR SALE OR TRANSFER, ARE FOREVER EXEMPT FROM ALL STATE AND LOCAL TAXES.**

**22-116.**

**(A) ~~AN~~ THE AUTHORITY MAY BRING A CIVIL ACTION TO PREVENT, RESTRAIN, OR ENJOIN THE WASTE OF OR UNLAWFUL REMOVAL OF ANY PROPERTY FROM REAL PROPERTY HELD BY THE AUTHORITY.**

**(B) (1) ~~AN~~ THE AUTHORITY SHALL BE MADE A PARTY TO ANY ACTION OR PROCEEDING INSTITUTED FOR THE PURPOSE OF SETTING ASIDE TITLE TO PROPERTY HELD BY THE AUTHORITY OR FOR THE SALE OF PROPERTY BY THE AUTHORITY.**

**(2) A HEARING IN ANY SUCH PROCEEDING MAY NOT BE HELD UNTIL THE AUTHORITY IS SERVED ~~WITH PROCESS AND PROPER PROOF OF SERVICE IS FILED~~ IN ACCORDANCE WITH THE MARYLAND RULES.**

**22-117.**

**(A) PROPERTY OF ~~AN~~ THE AUTHORITY IS PUBLIC PROPERTY DEVOTED TO ~~AN~~ THE ESSENTIAL PUBLIC AND GOVERNMENTAL FUNCTION AND PURPOSE.**

**(B) INCOME OF ~~AN~~ THE AUTHORITY IS CONSIDERED TO BE FOR A PUBLIC AND GOVERNMENTAL PURPOSE.**

**22-118.**

~~AN~~ THE AUTHORITY IS SUBJECT TO ANY LOCAL:

(1) ~~ZONING~~ ZONING LAWS;

(2) PERMITTING PROCESSES FOR CONSTRUCTION, DEMOLITION, OR REPAIR OF A PROPERTY; AND ~~LAND~~

(3) LAND USE CONTROLS.

22-119.

~~AN~~ THE AUTHORITY SHALL REPORT ANNUALLY TO THE ~~COUNTY IN WHICH THE AUTHORITY IS LOCATED~~ MAYOR AND CITY COUNCIL OF BALTIMORE CITY AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO THE GENERAL ASSEMBLY ON THE ACTIVITIES OF THE AUTHORITY.

**SUBTITLE 2. BONDS.**

22-201.

(A) (1) ~~AN~~ THE AUTHORITY MAY PERIODICALLY:

(I) ISSUE BONDS TO PAY ALL OR PART OF THE COST OF ACQUIRING OR IMPROVING PROPERTY;

(II) FUND OR REFUND THOSE BONDS;

(III) PURCHASE BONDS WITH ANY FUNDS AVAILABLE; AND

(IV) HOLD, PLEDGE, CANCEL, OR RESELL BONDS.

(2) BY RESOLUTION, AN ~~THE~~ AUTHORITY MAY AUTHORIZE THE CHAIR, ONE OF THE AUTHORITY'S MEMBERS, OR A COMMITTEE OF THE MEMBERS TO DETERMINE OR PROVIDE FOR ANY MATTERS RELATING TO BONDS THAT THE AUTHORITY CONSIDERS APPROPRIATE, INCLUDING:

(I) SPECIFYING, DETERMINING, PRESCRIBING, AND APPROVING MATTERS, DOCUMENTS, AND PROCEDURES THAT RELATE TO THE AUTHORIZATION, SALE, SECURITY, ISSUANCE, DELIVERY, AND PAYMENT OF AND FOR THE BONDS;

(II) CREATING SECURITY FOR THE BONDS;

(III) PROVIDING FOR THE ADMINISTRATION OF BOND ISSUES; AND

(IV) TAKING OTHER ACTIONS IT CONSIDERS APPROPRIATE CONCERNING THE BONDS.

(3) THE POWER GRANTED IN PARAGRAPH (2) OF THIS SUBSECTION IS IN ADDITION TO POWERS CONFERRED ON THE AUTHORITY BY THIS TITLE AND DOES NOT LIMIT ANY POWER OF THE AUTHORITY UNDER THIS TITLE.

(4) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE AUTHORITY MAY AUTHORIZE THE EXECUTIVE DIRECTOR TO TAKE ANY OF THE ACTIONS DESCRIBED IN PARAGRAPH (2) OF THIS SUBSECTION.

(II) IF THE AUTHORITY AUTHORIZES THE EXECUTIVE DIRECTOR TO TAKE ANY OF THE ACTIONS DESCRIBED IN PARAGRAPH (2) OF THIS SUBSECTION, THE AUTHORITY SHALL PRESCRIBE LIMITS WITHIN WHICH THE EXECUTIVE DIRECTOR MAY EXERCISE DISCRETION.

(B) ~~AN~~ THE AUTHORITY MAY ISSUE THE BONDS AT ONE TIME OR IN ONE OR MORE SERIES FROM TIME TO TIME.

(C) FOR EACH ISSUE OF ~~AN~~ THE AUTHORITY'S BONDS, THE AUTHORITY SHALL PASS A RESOLUTION THAT:

(1) SPECIFIES AND DESCRIBES THE PROJECT FOR WHICH THE PROCEEDS OF THE BOND ISSUANCE ARE INTENDED;

(2) GENERALLY DESCRIBES THE PUBLIC PURPOSE AND THE FINANCING TRANSACTION TO BE ACCOMPLISHED;

(3) SPECIFIES THE MAXIMUM PRINCIPAL AMOUNT OF THE BONDS THAT MAY BE ISSUED BY THE AUTHORITY; AND

(4) IMPOSES ANY TERMS OR CONDITIONS ON THE ISSUANCE AND SALE OF THE BONDS THAT THE AUTHORITY CONSIDERS APPROPRIATE.

(D) SUBJECT TO ANY PROVISIONS FOR THEIR REGISTRATION, BONDS ARE NEGOTIABLE INSTRUMENTS FOR ALL PURPOSES REGARDLESS OF WHETHER THEY ARE PAYABLE FROM A SPECIAL FUND.

(E) (1) THE BONDS MAY BE:

- (I) SERIAL BONDS;
- (II) TERM BONDS; OR
- (III) BOTH IN THE DISCRETION OF THE AUTHORITY.

(2) SUBJECT TO ANY DELEGATION UNDER SUBSECTION (A)(2) OF THIS SECTION, THE RESOLUTION AUTHORIZING BONDS MAY PROVIDE:

- (I) THE DATES OF THE BONDS;
- (II) THE MATURITY DATES OF THE BONDS;
- (III) THE INTEREST RATES ON THE BONDS;
- (IV) THE TIME AT WHICH THE BONDS WILL BE PAYABLE;
- (V) THE DENOMINATIONS OF THE BONDS;
- (VI) WHETHER THE BONDS WILL BE IN COUPON OR REGISTERED FORM;
- (VII) ANY REGISTRATION PRIVILEGES OF THE BONDS;
- (VIII) THE MANNER OF EXECUTION OF THE BONDS;
- (IX) THE PLACE AT WHICH THE BONDS WILL BE PAYABLE;

AND

- (X) ANY TERMS OF REDEMPTION OF THE BONDS.

(3) THE BONDS SHALL MATURE WITHIN A PERIOD NOT TO EXCEED 50 YEARS AFTER THE DATE OF ISSUE.

(4) THE BONDS SHALL BE PAYABLE IN UNITED STATES CURRENCY.

(F) (1) ~~AN~~ THE AUTHORITY SHALL SELL THE BONDS AT COMPETITIVE OR NEGOTIATED SALE IN A MANNER AND FOR A PRICE THE AUTHORITY DETERMINES TO BE IN THE AUTHORITY'S BEST INTERESTS.

**(2) BONDS ARE EXEMPT FROM §§ 8-206 AND 8-208 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

**(G) AN OFFICER'S SIGNATURE OR FACSIMILE ON A BOND REMAINS VALID EVEN IF THE OFFICER LEAVES OFFICE BEFORE THE BOND IS DELIVERED.**

**(H) PENDING PREPARATION OF THE DEFINITIVE BONDS, ~~AN~~ THE AUTHORITY MAY ISSUE INTERIM RECEIPTS OR CERTIFICATES THAT WILL BE EXCHANGED FOR DEFINITIVE BONDS.**

**(I) (1) A TRUST AGREEMENT AUTHORIZING BONDS MAY CONTAIN PROVISIONS THAT ARE PART OF THE CONTRACT WITH THE BONDHOLDERS.**

**(2) THE PROVISIONS MAY INCLUDE:**

**(I) PLEDGING THE FOLLOWING TO SECURE PAYMENT OF BONDS, SUBJECT TO ANY EXISTING AGREEMENTS WITH BONDHOLDERS:**

**1. THE FULL FAITH AND CREDIT OF ~~AN~~ THE AUTHORITY;**

**2. REVENUES OF A PROJECT;**

**3. A REVENUE-PRODUCING CONTRACT THE AUTHORITY HAS MADE WITH A PERSON OR PUBLIC ENTITY; OR**

**4. THE PROCEEDS OF THE SALE OF BONDS;**

**(II) THE RATES, RENTALS, FEES, AND OTHER CHARGES, THE AMOUNTS TO BE RAISED IN EACH YEAR, AND THE USE AND DISPOSITION OF THE REVENUES;**

**(III) SETTING ASIDE OF RESERVES AND SINKING FUNDS AND THEIR DISPOSITION;**

**(IV) LIMITS ON THE RIGHT OF THE AUTHORITY OR THE AUTHORITY'S AGENTS TO RESTRICT AND REGULATE THE USE OF A PROJECT;**

**(V) LIMITS ON THE PURPOSE TO WHICH THE PROCEEDS OF SALE OF BONDS MAY BE APPLIED;**

(VI) LIMITS ON ISSUING ADDITIONAL BONDS AND REFUNDING BONDS AND THE TERMS UNDER WHICH ADDITIONAL BONDS MAY BE ISSUED AND SECURED;

(VII) THE PROCEDURE TO AMEND OR ABROGATE THE TERMS OF A CONTRACT WITH BONDHOLDERS AND THE REQUIREMENTS FOR CONSENT;

(VIII) LIMITS ON THE AMOUNT OF PROJECT REVENUES TO BE EXPENDED FOR OPERATING, ADMINISTRATIVE, OR OTHER EXPENSES OF THE AUTHORITY;

(IX) THE ACTS OR OMISSIONS THAT CONSTITUTE DEFAULT BY THE AUTHORITY AND THE RIGHTS AND REMEDIES OF THE BONDHOLDERS IN THE EVENT OF A DEFAULT;

(X) THE CONVEYANCE OR MORTGAGING OF A PROJECT AND ITS SITE TO SECURE THE BONDHOLDERS; AND

(XI) CREATION AND DISPOSITION OF A COLLATERAL FUND FOR THE PURPOSE OF SECURING THE BONDHOLDERS.

(J) THE MEMBERS OF ~~AN~~ THE AUTHORITY AND A PERSON EXECUTING THE BONDS MAY NOT BE HELD LIABLE PERSONALLY ON THE BONDS.

**22-202.**

(A) THE CORPORATE TRUSTEE UNDER A TRUST AGREEMENT MAY BE A TRUST COMPANY OR A BANK THAT HAS THE POWERS OF A TRUST COMPANY IN OR OUTSIDE THE STATE.

(B) AN EXPENSE INCURRED IN CARRYING OUT THE TRUST AGREEMENT OR A RESOLUTION MAY BE TREATED AS PART OF THE COST OF THE OPERATION OF A PROJECT.

**22-203.**

NOTWITHSTANDING ANY OTHER PROVISION OF THIS TITLE, IN A PROCEEDING INVOLVING THE VALIDITY OR ENFORCEABILITY OF A BOND OR THE SECURITY FOR A BOND, THE DETERMINATION OF ~~AN~~ THE AUTHORITY UNDER THIS TITLE IS CONCLUSIVE AND BINDING.

**22-204.**

**BONDS ARE SECURITIES:**

**(1) IN WHICH ANY OF THE FOLLOWING PERSONS MAY LEGALLY AND PROPERLY INVEST MONEY, INCLUDING CAPITAL THAT THE PERSON OWNS OR CONTROLS:**

**(I) AN OFFICER OR UNIT OF THE STATE OR A POLITICAL SUBDIVISION;**

**(II) A BANK, TRUST COMPANY, SAVINGS AND LOAN ASSOCIATION, INVESTMENT COMPANY, OR OTHER PERSON CONDUCTING A BANKING BUSINESS;**

**(III) AN INSURANCE COMPANY, INSURANCE ASSOCIATION, OR OTHER PERSON CONDUCTING AN INSURANCE BUSINESS;**

**(IV) A PERSONAL REPRESENTATIVE, GUARDIAN, TRUSTEE, OR OTHER FIDUCIARY; AND**

**(V) ANY OTHER PERSON; AND**

**(2) THAT MAY BE DEPOSITED WITH AND RECEIVED BY A UNIT OF THE STATE OR A POLITICAL SUBDIVISION OF THE STATE FOR ANY PURPOSE FOR WHICH THE DEPOSIT OF BONDS OR OBLIGATIONS OF THE STATE IS AUTHORIZED BY LAW.**

**22-205.**

**(A) A BOND IS NOT:**

**(1) A DEBT OR LIABILITY OF THE STATE OR A POLITICAL SUBDIVISION OF THE STATE; OR**

**(2) A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OR A POLITICAL SUBDIVISION OF THE STATE.**

**(B) EACH BOND SHALL STATE ON THE FACE OF THE BOND THAT NEITHER THE STATE NOR A POLITICAL SUBDIVISION OF THE STATE IS OBLIGED TO PAY THE PRINCIPAL OF OR INTEREST ON THE BOND EXCEPT FROM REVENUES PLEDGED TO THE PAYMENT OF THE BOND.**

**(C) THE ISSUANCE OF BONDS DOES NOT DIRECTLY, INDIRECTLY, OR CONTINGENTLY OBLIGATE THE STATE OR ITS POLITICAL SUBDIVISIONS:**

- (1) TO LEVY OR PLEDGE A TAX TO PAY THE BONDS; OR
- (2) TO MAKE AN APPROPRIATION TO PAY THE BONDS.

(D) NOTHING IN THIS TITLE PROHIBITS ~~AN~~ THE AUTHORITY FROM PLEDGING ITS FULL FAITH AND CREDIT IN CONNECTION WITH THE ISSUANCE OF BONDS.

**22-206.**

(A) ~~AN~~ THE AUTHORITY MAY:

- (1) FIX AND COLLECT RATES, RENTS, FEES, AND CHARGES RELATED TO A PROJECT AND FOR THE SERVICES RELATED TO A PROJECT; AND
- (2) CONTRACT WITH ANY PERSON OR GOVERNMENTAL ENTITY TO EXERCISE ITS AUTHORITY UNDER THIS SECTION.

(B) THE RATES, RENTS, FEES, AND CHARGES ESTABLISHED BY ~~AN~~ THE AUTHORITY UNDER THIS SECTION SHALL BE FIXED AND ADJUSTED SO THAT THE AGGREGATE AMOUNT OF THE RATES, RENTS, FEES, AND CHARGES FROM THE PROJECT, WHEN ADDED TO OTHER AVAILABLE MONEY, IS SUFFICIENT TO:

- (1) PAY FOR THE EXPENSES OF THE PROJECT;
- (2) PAY THE PRINCIPAL OF AND THE INTEREST ON THE BONDS THAT THE AUTHORITY ISSUED FOR THE PROJECT AS THEY BECOME DUE AND PAYABLE; AND
- (3) CREATE AND MAINTAIN RESERVES REQUIRED OR PROVIDED FOR IN A TRUST AGREEMENT.

(C) THE RATES, RENTS, FEES, AND CHARGES ESTABLISHED BY ~~AN~~ THE AUTHORITY UNDER THIS SECTION ARE NOT SUBJECT TO SUPERVISION OR REGULATION BY ANY UNIT OF THE STATE OTHER THAN THE AUTHORITY.

**22-207.**

(A) (1) ANY PLEDGE OF REVENUES AND OTHER MONEY UNDER § 22-201(I) OF THIS SUBTITLE IS VALID AND BINDING FROM THE TIME THE PLEDGE IS MADE.

(2) (I) ~~AN~~ THE REVENUE OR MONEY THAT ~~AN~~ THE AUTHORITY PLEDGES AND RECEIVES IS SUBJECT IMMEDIATELY TO THE LIEN OF THE PLEDGE.

(II) NEITHER PHYSICAL DELIVERY OF THE REVENUE OR MONEY NOR ANY OTHER ACT IS REQUIRED TO VALIDATE THE LIEN.

(3) THE LIEN OF THE PLEDGE IS VALID AND BINDING AGAINST EACH PARTY WITH A CLAIM AGAINST THE AUTHORITY IN TORT, CONTRACT, OR OTHERWISE, REGARDLESS OF WHETHER THE PARTY HAS NOTICE OF THE LIEN.

(B) THE TRUST AGREEMENT AND ANY OTHER AGREEMENT OR LEASE CREATING A PLEDGE UNDER THIS SECTION NEED NOT BE FILED OR RECORDED, EXCEPT IN THE RECORDS OF THE AUTHORITY.

**22-208.**

(A) PROCEEDS FROM THE SALE OF BONDS AND OTHER REVENUES RECEIVED UNDER THIS TITLE ARE TRUST FUNDS TO BE HELD AND APPLIED SOLELY AS PROVIDED IN THIS TITLE.

(B) (1) EACH OFFICER, BANK, OR TRUST COMPANY THAT RECEIVES TRUST MONEY FROM ~~AN~~ THE AUTHORITY UNDER THIS TITLE SHALL ACT AS TRUSTEE OF THE MONEY AND SHALL HOLD AND APPLY THE MONEY FOR THE PURPOSES SPECIFIED UNDER THIS TITLE.

(2) THE OFFICER, BANK, OR TRUST COMPANY HOLDING MONEY IS SUBJECT TO:

(I) ANY REGULATION ADOPTED UNDER THIS TITLE; AND

(II) THE RESOLUTION AUTHORIZING THE ISSUANCE OF BONDS OR THE TRUST AGREEMENT.

**22-209.**

(A) (1) ~~AN~~ THE AUTHORITY MAY ISSUE BONDS TO REFUND OUTSTANDING BONDS OF THE AUTHORITY, INCLUDING PAYING:

(I) ANY REDEMPTION PREMIUM;

(II) INTEREST ACCRUED OR TO ACCRUE TO THE DATE OF REDEMPTION, PURCHASE, OR MATURITY OF THE BONDS; AND

(III) IF CONSIDERED ADVISABLE BY THE AUTHORITY, ANY PART OF THE COST OF ACQUIRING OR IMPROVING PROPERTY AS PART OF A PROJECT.

(2) REFUNDING BONDS MAY BE ISSUED FOR ANY CORPORATE PURPOSE, INCLUDING:

(I) REALIZING SAVINGS IN THE EFFECTIVE COSTS OF DEBT SERVICE, DIRECTLY OR THROUGH A DEBT RESTRUCTURING; OR

(II) ALLEVIATING A POTENTIAL OR ACTUAL DEFAULT.

(B) A REFUNDING BOND THAT ~~AN~~ THE AUTHORITY ISSUES UNDER THIS SECTION SHALL BE ISSUED IN THE SAME MANNER AND IS SUBJECT TO THIS TITLE TO THE SAME EXTENT AS ANY OTHER BOND.

(C) ~~AN~~ THE AUTHORITY MAY ISSUE REFUNDING BONDS IN ONE OR MORE SERIES IN AN AMOUNT GREATER THAN THE AMOUNT OF THE BONDS TO BE REFUNDED.

22-210.

(A) ~~AN~~ THE AUTHORITY MAY ISSUE NEGOTIABLE BOND ANTICIPATION NOTES IN ANTICIPATION OF THE SALE OF BONDS FOR ANY CORPORATE PURPOSE.

(B) BOND ANTICIPATION NOTES ISSUED UNDER THIS SECTION SHALL BE ISSUED IN THE SAME MANNER AS BONDS.

(C) BOND ANTICIPATION NOTES ISSUED UNDER THIS SECTION AND THE RESOLUTION AUTHORIZING THEM MAY CONTAIN ANY PROVISIONS, CONDITIONS, OR LIMITATIONS THAT MAY BE INCLUDED IN A TRUST AGREEMENT.

(D) ~~AN~~ THE AUTHORITY MAY ISSUE BOND ANTICIPATION NOTES TO PAY ANY OTHER BOND ANTICIPATION NOTES.

(E) BOND ANTICIPATION NOTES SHALL BE PAID FROM:

(1) REVENUES OF THE AUTHORITY;

(2) MONEY AVAILABLE AND NOT OTHERWISE PLEDGED; OR

**(3) THE PROCEEDS OF THE SALE OF THE BONDS IN ANTICIPATION OF WHICH THE NOTES WERE ISSUED.**

**22-211.**

**(A) ~~AN~~ THE AUTHORITY SHALL CONVEY TITLE TO PROPERTY RELATING TO A PROJECT AND RELEASE COLLATERAL IN ACCORDANCE WITH THIS SECTION WHEN THE FOLLOWING CONDITIONS ARE MET:**

**(1) (i) THE PRINCIPAL OF AND INTEREST ON BONDS ISSUED TO FINANCE THE PROJECT, INCLUDING ANY REFUNDING BONDS, HAVE BEEN FULLY PAID AND RETIRED; OR**

**(ii) ADEQUATE PROVISION HAS BEEN MADE TO FULLY PAY AND RETIRE THE BONDS;**

**(2) ALL OTHER CONDITIONS OF THE TRUST AGREEMENT HAVE BEEN SATISFIED; AND**

**(3) THE LIEN OF THE TRUST AGREEMENT HAS BEEN RELEASED.**

**(B) ON SATISFACTION OF THE CONDITIONS UNDER SUBSECTION (A) OF THIS SECTION, ~~AN~~ THE AUTHORITY PROMPTLY SHALL EXECUTE ANY DEEDS, CONVEYANCES, RELEASES, AND DOCUMENTS AND TAKE ANY OTHER ACTION NECESSARY TO CONVEY TITLE TO THE PROPERTY AND RELEASE COLLATERAL FREE OF ALL LIENS AND ENCUMBRANCES CREATED THROUGH THE AUTHORITY.**

**22-212.**

**(A) A BONDHOLDER, A HOLDER OF ANY COUPONS ATTACHED TO BONDS, OR A TRUSTEE UNDER A TRUST AGREEMENT SECURING THE BONDS MAY SUE TO:**

**(1) PROTECT AND ENFORCE RIGHTS UNDER LAWS OF THE STATE OR A TRUST AGREEMENT; AND**

**(2) ENFORCE AND COMPEL THE PERFORMANCE OF DUTIES BY ~~AN~~ THE AUTHORITY OR ITS OFFICER, EMPLOYEE, OR AGENT THAT THIS TITLE OR A TRUST AGREEMENT REQUIRES, INCLUDING FIXING AND COLLECTING RATES, RENTS, FEES, AND CHARGES THAT THE TRUST AGREEMENT REQUIRES TO BE FIXED AND COLLECTED.**

**(B) THE RIGHTS UNDER THIS SECTION ARE SUBJECT TO ANY TRUST AGREEMENT.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2008.

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