HOUSE BILL 1533

By: The Minority Leader
Introduced and read first time: March 8, 2010
Assigned to: Rules and Executive Nominations

A BILL ENTITLED

AN ACT concerning

Deficit Reduction Financing Act of 2010

FOR the purpose of repealing the Maryland Stem Cell Research Fund, the Stem Cell Research Commission, and certain provisions of law providing for State–funded stem cell research; repealing a certain grant program; repealing certain laws authorizing and relating to senatorial and delegate scholarships; repealing certain laws requiring certain contractors and subcontractors to pay certain employees certain minimum wage rates under certain State procurement contracts; altering certain funding requirements; requiring certain enrollment calculations used for education aid to be based on the average daily attendance in certain school years; repealing certain inflation adjustments for the calculation of certain State funding requirements; altering the calculation of certain State aid to community colleges; altering the calculation of certain State funding for Baltimore City Community College; altering certain State aid provided to certain nonpublic institutions of higher education; providing that under certain circumstances retirees are not eligible for a certain prescription drug benefit plan included in certain State employee health benefits; requiring the State to provide a certain supplemental prescription drug benefit plan for certain retirees; altering the distribution of certain motor fuel tax revenue; altering the distribution of certain sales and use tax revenues from short–term rental vehicles; requiring the Motor Vehicle Administration to issue a single registration plate to all classes of vehicles; providing for the method of attachment of the registration plate; making certain conforming changes and a certain technical correction; authorizing the publisher of the Annotated Code to make certain corrections; altering the distribution of certain highway user revenues for a certain fiscal year; stating the intent of the General Assembly regarding constraining spending in the State budget by implementation of certain actions; making the provisions of this Act severable; providing for the effective date and application of this Act; and generally relating to the financing of State government.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.
BY repealing

Article – Economic Development
Section 10–429 through 10–442 and the part “Part III. Stem Cell Research”
Annotated Code of Maryland
(2008 Volume and 2009 Supplement)

BY repealing

Article – Education
Section 5–202(f); 18–401 through 18–408 and the subtitle “Subtitle 4. Senatorial Scholarships”; and 18–501 through 18–507 and the subtitle “Subtitle 5. Delegate Scholarships”
Annotated Code of Maryland
(2008 Replacement Volume and 2009 Supplement)

BY repealing

Article – State Finance and Procurement
Section 18–101 through 18–109 and the title “Title 18. Living Wage”
Annotated Code of Maryland
(2009 Replacement Volume)

BY repealing and reenacting, with amendments,

Article – Education
Section 4–122(b)(2), 5–202(a), 5–205(c), 5–206(f), 14–405(b)(2), 16–305(c)(1)(i), 16–512(a)(1), and 17–104(a)
Annotated Code of Maryland
(2008 Replacement Volume and 2009 Supplement)

BY repealing and reenacting, without amendments,

Article – Education
Section 5–207(a)(4), 5–208(a)(6), 5–209(a)(7), 8–310.3(a)(4) and (b), and 8–317(a)(4), (b), and (c)
Annotated Code of Maryland
(2008 Replacement Volume and 2009 Supplement)

BY repealing and reenacting, with amendments,

Article – State Personnel and Pensions
Section 2–509.1
Annotated Code of Maryland
(2009 Replacement Volume and 2009 Supplement)

BY repealing and reenacting, with amendments,

Article – Tax – General
Section 2–1104 and 2–1302.1
Annotated Code of Maryland
(2004 Replacement Volume and 2009 Supplement)

BY repealing and reenacting, with amendments,

Article – Transportation


SECTION 2. AND BE IT FURTHER ENACTED, That Section(s) 5–202(f); 18–401 through 18–408 and the subtitle “Subtitle 4. Senatorial Scholarships”; and 18–501 through 18–507 and the subtitle “Subtitle 5. Delegate Scholarships” of Article – Education of the Annotated Code of Maryland be repealed.

SECTION 3. AND BE IT FURTHER ENACTED, That Section(s) 18–101 through 18–109 and the title “Title 18. Living Wage” of Article – State Finance and Procurement of the Annotated Code of Maryland be repealed.

SECTION 4. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article – Education

4–122.

(b) (2) The service providing local education agency shall include a child enrolled as the result of an out–of–county living arrangement in their full–time equivalent enrollment as provided by [§ 5–202(a)(6)] § 5–202(A) of this article.

5–202.

(a) (1) In this section the following words have the meanings indicated.

(2) “ABSENTEEISM RATE” MEANS THE DIFFERENCE BETWEEN 1.00 AND THE AVERAGE DAILY ATTENDANCE RATE.

[(2)] (3) “Annual per pupil foundation amount” means:

(i) For fiscal years 2004 through 2008, the sum, rounded to the nearest dollar, of:

1. The fiscal year 2002 per pupil foundation amount of $4,124; and

2. The product of the difference between the target per pupil foundation amount and $4,124 and:
A. 0.40 in fiscal year 2004;

B. 0.52 in fiscal year 2005;

C. 0.71 in fiscal year 2006; and

D. 0.83 in fiscal year 2007; and

(ii) For fiscal year 2008 and each fiscal year thereafter, the target per pupil foundation amount.

[(3)] (4) “Assessed valuation of real property” means the most recent estimate made by the State Department of Assessments and Taxation before the annual State budget is submitted to the General Assembly, of the assessed value of real property for State purposes as of July 1 of the first completed fiscal year before the school year for which the calculation of State aid is made under this section.

[(4)] (5) “Assessed value of personal property” means the most recent estimate by the State Department of Assessments and Taxation before the annual State budget is submitted to the General Assembly of the assessed value for county purposes of personal property as of July 1 of the first completed fiscal year before the school year for which the calculation is made under this section.

(6) “AVERAGE DAILY ATTENDANCE RATE” MEANS THE SUM OF STUDENTS ATTENDING SCHOOL EACH DAY DURING THE SECOND PRIOR SCHOOL YEAR DIVIDED BY THE SUM OF STUDENT MEMBERSHIP FROM EACH DAY DURING THE SECOND PRIOR SCHOOL YEAR.

[(5)] (7) “Foundation program” means the product of the annual per pupil foundation amount and a county’s full–time equivalent enrollment.

[(6)] (8) “Full–time equivalent enrollment” means the difference between:

(i) THE SUM OF:

1. The number of students enrolled in [grades 1 through] KINDERGARTEN THROUGH GRADE 12 or their equivalent in regular day school programs on September 30 of the previous school year; AND

[(ii) Except as provided in item (iii) of this paragraph, the product of the number of students enrolled in kindergarten programs on September 30 of the prior school year and:

1. 0.60 in fiscal year 2004;
2. The number of full-time equivalent students, as determined by a regulation of the Department, enrolled in evening high school programs during the previous school year; AND

(II) The product of multiplying:

1. The number derived in item (i) of this paragraph; and

2. The absenteeism rate.

“Local contribution rate” means the figure that is calculated as follows:

(i) Multiply the statewide full-time equivalent enrollment by $624, and multiply this product by:

1. 0.46 in fiscal year 2004;
2. 0.47 in fiscal year 2005;
3. 0.48 in fiscal year 2006;
4. 0.49 in fiscal year 2007; and
5. 0.50 in fiscal year 2008 and each fiscal year thereafter;

(ii) Multiply the statewide full-time equivalent enrollment by the amount that the annual per pupil foundation amount exceeds $624, and multiply this product by 0.50;

(iii) Add the two products calculated in items (i) and (ii) of this paragraph, and divide the resulting sum by the sum of the wealth of all of the counties in this State; and
(iv) Round the result obtained in item (iii) of this paragraph to seven decimal places and express as a percent with five decimal places.

[(8)] (10) “Local share of the foundation program” means the product of the local contribution rate and a county’s wealth.

[(9)] (11) “Net taxable income” means the amount certified by the State Comptroller for the second completed calendar year before the school year for which the calculation of State aid under this section is made, based on tax returns filed on or before September 1 after this calendar year.

[(10)] (12) “Personal property” means all property classified as personal property under § 8–101(c) of the Tax – Property Article.

[(11)] (13) “Real property” means all property classified as real property under § 8–101(b) of the Tax – Property Article.

[(12)] (14) “State share of the foundation program” means the greater of:

(i) The difference between the foundation program and the local share of the foundation program; and

(ii) The result obtained by multiplying the annual per pupil foundation amount by the county’s full–time equivalent enrollment, and multiplying this product by:

1. 0.25 in fiscal year 2004;
2. 0.24 in fiscal year 2005;
3. 0.22 in fiscal year 2006;
4. 0.19 in fiscal year 2007; and
5. 0.15 in fiscal year 2008 and each fiscal year thereafter.

[(13)] (15) “Target per pupil foundation amount” means:

(i) In fiscal years 2008, 2009, and 2010, $6,694;

(ii) Except as provided in item (iii) of this paragraph, in subsequent fiscal years:
1. The target per pupil foundation amount for the prior fiscal year increased by the same percentage as the lesser of:

   A. The increase in the implicit price deflator for State and local government expenditures for the second prior fiscal year;

   B. The Consumer Price Index for all urban consumers for the Washington–Baltimore metropolitan area, or any successor index, for the second prior fiscal year; or

   C. 5%; or

2. If there is no increase in the implicit price deflator for State and local government expenditures for the second prior fiscal year or in the Consumer Price Index for all urban consumers for the Washington–Baltimore metropolitan area, or any successor index, for the second prior fiscal year, the target per pupil foundation amount for the prior fiscal year.

   (iii) In fiscal year 2012:

   1. The target per pupil foundation amount for the prior fiscal year increased by the same percentage as the lesser of:

      A. The increase in the implicit price deflator for State and local government expenditures for the second prior fiscal year;

      B. The Consumer Price Index for all urban consumers for the Washington–Baltimore metropolitan area, or any successor index, for the second prior fiscal year; or

      C. 1%; or

   2. If there is no increase in the implicit price deflator for State and local government expenditures for the second prior fiscal year or in the Consumer Price Index for all urban consumers for the Washington–Baltimore metropolitan area, or any successor index, for the second prior fiscal year, the target per pupil foundation amount for the prior fiscal year.

   [(14)] (16) “Wealth” means the sum of:

   (i) Net taxable income;

   (ii) 100 percent of the assessed value of the operating real property of public utilities;

   (iii) 40 percent of the assessed valuation of all other real property; and
(iv) 50 percent of assessed value of personal property.

5–205.

(c) (1) In this subsection, “full–time equivalent enrollment” has the meaning stated in § 5–202 of this subtitle.

(2) [Subject to the limitations under paragraph (3) of this subsection, for] FOR fiscal year [2004] 2011 and every year thereafter, the amount of a county’s base grant for student transportation shall be equal to the amount of the county’s base grant for student transportation for the previous year [increased by the same percentage as the increase in the private transportation category of the Consumer Price Index for all urban consumers, for the Washington–Baltimore metropolitan area, as of July of the fiscal year preceding the year for which the amount is being calculated,] plus an additional amount equal to the product of:

(i) The total amount of funds distributed by the State as base grants for student transportation for the previous fiscal year divided by the statewide full–time equivalent enrollment for the previous fiscal year; and

(ii) The difference between the full–time equivalent enrollment in a county for the current fiscal year and the full–time equivalent enrollment in the county for the previous fiscal year, or, if the full–time equivalent enrollment in a county for the current fiscal year is less than the full–time equivalent enrollment in the county for the previous fiscal year, zero.

[(3) (i) Except as provided in subparagraph (ii) of this paragraph, the increase in the amount of a base grant for student transportation that is based on the increase in the private transportation category of the Consumer Price Index may not be less than 3 percent nor more than 8 percent of the amount of the grant for the previous year.

(ii) For fiscal year 2012, the increase in the amount of a base grant for student transportation that is based on the increase in the private transportation category of the Consumer Price Index may not be more than 1 percent of the amount of the grant for the previous year.]

5–206.

(f) (1) In fiscal year 2006 and in each fiscal year thereafter, the State shall distribute grants to county boards under the Aging Schools Program administered by the Interagency Committee on School Construction in amounts equal to the funding level calculated under paragraph (2) of this subsection.

(2) The funding level for a county is:
In fiscal year 2011, the following amounts for the following counties:

1. Allegany County .................................................. $97,791;
2. Anne Arundel County ............................................. $506,038;
3. Baltimore City ..................................................... $1,387,924;
4. Baltimore County .................................................. $874,227;
5. Calvert County ..................................................... $38,292;
6. Caroline County ................................................... $50,074;
7. Carroll County ..................................................... $137,261;
8. Cecil County ......................................................... $96,024;
9. Charles County ..................................................... $50,074;
10. Dorchester County ............................................... $38,292;
11. Frederick County ............................................... $182,622;
12. Garrett County ................................................... $38,292;
13. Harford County ................................................... $217,379;
14. Howard County ................................................... $87,776;
15. Kent County ......................................................... $38,292;
16. Montgomery County ............................................. $602,651;
17. Prince George’s County ......................................... $1,209,426;
18. Queen Anne’s County .......................................... $50,074;
19. St. Mary’s County ................................................. $50,074;
20. Somerset County ................................................ $38,292;
21. Talbot County ..................................................... $38,292;
22. Washington County ............................................. $134,904;
23. Wicomico County ................................................. $106,627; and
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22. Washington County.............................................$229,000;  
23. Wicomico County..............................$181,000; and  
24. Worcester County..............................$65,000; and

[(iii)] [(II)] [Except as provided in paragraph (3) of this subsection, in] IN fiscal year [2013] 2012 and in each fiscal year thereafter, the funding level for the county for the prior fiscal year [increased by the product of the funding level for the county for the prior fiscal year and the percentage change in the Consumer Price Index – all urban consumers – all items, as published by the Bureau of Labor Statistics of the United States Department of Labor, for the second prior fiscal year].

[(3) If the funding level calculated under paragraph (2)(ii) of this subsection is less than the funding level for the prior fiscal year, the funding level for the county shall be the funding level for the prior fiscal year.]

5–207.

(a) (4) “Compensatory education per pupil amount” means 97% of the annual per pupil foundation amount calculated under § 5–202 of this subtitle multiplied by the State share of compensatory education funding.

5–208.

(a) (6) “LEP per pupil amount” means 99% of the annual per pupil foundation amount calculated under § 5–202 of this subtitle multiplied by the State share of LEP funding.

5–209.

(a) (7) “Special education per pupil amount” means 74% of the annual per pupil foundation amount calculated under § 5–202 of this subtitle multiplied by the State share of special education funding.

8–310.3.

(a) (4) “Per pupil basic current expense figure” means the figure calculated for each fiscal year by the Department in accordance with § 5–202 of this article.

(b) (1) Except as provided in paragraph (2) of this subsection, the Maryland School for the Deaf shall receive an appropriation equal to or greater than the sum of:
(i) 75% of the prior year appropriation multiplied by the product of:

1. The sum of the weighted enrollment growth plus one; and
2. The sum of the growth in the per pupil basic current expense figure plus one; and

(ii) 25% of the prior year appropriation multiplied by the sum of the weighted enrollment growth plus one.

The minimum appropriation required under paragraph (1) of this subsection may be reduced to the extent reductions are made to the administrative expenses of the Maryland School for the Deaf.

(a) (4) “Per pupil basic current expense figure” means the figure calculated for each fiscal year by the Department in accordance with § 5–202 of this article.

(b) (1) Except as provided in paragraph (2) of this subsection and subsection (c) of this section, the Maryland School for the Blind shall receive an appropriation equal to or greater than the sum of:

(i) 75% of the prior year appropriation multiplied by the product of:

1. The sum of the weighted enrollment growth plus one; and
2. The sum of the growth in the per pupil basic current expense figure plus one; and

(ii) 25% of the prior year appropriation multiplied by the sum of the weighted enrollment growth plus one.

(2) The minimum appropriation required under paragraph (1) of this subsection may be reduced to the extent reductions are made to the administrative expenses of the Maryland School for the Blind.

(c) The “prior year appropriation” used to calculate the fiscal year 2000 appropriation to the Maryland School for the Blind shall be $11,585,436.
(b) (2) (i) For fiscal year 1993, the grant shall be as provided for in the State fiscal year 1993 appropriation.

[(ii) For fiscal year 1994 and each year thereafter, the proposed grant shall be equal to the grant of the prior year augmented by funds required to offset inflation as indicated by the implicit price deflator for State and local government.]

(II) IN EACH FISCAL YEAR BEGINNING WITH FISCAL YEAR 2011, THE PROPOSED GRANT SHALL BE EQUAL TO THE GRANT OF THE PRIOR YEAR.

(c) (1) (i) The total State operating fund per full–time equivalent student to the community colleges for each fiscal year as requested by the Governor shall be:

1. In fiscal year 2009, not less than an amount equal to 26.25% of the State’s General Fund appropriation per full–time equivalent student to the 4–year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the previous fiscal year;

2. In fiscal year 2010, not less than an amount equal to 23.6% of the State’s General Fund appropriation per full–time equivalent student to the 4–year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year; AND

3. In fiscal year 2011 AND IN EACH FISCAL YEAR THEREAFTER, not less than an amount equal to [24%] 20% of the State’s General Fund appropriation per full–time equivalent student to the 4–year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;

4. In fiscal year 2012, not less than an amount equal to 25% of the State’s General Fund appropriation per full–time equivalent student to the 4–year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;

5. In fiscal year 2013, not less than an amount equal to 27% of the State’s General Fund appropriation per full–time equivalent student to the 4–year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;
Commission for the purpose of administering the Joseph A. Sellinger Program under
Title 17 of this article in the same fiscal year; and

6. In fiscal year 2014 and in each fiscal year thereafter, not less than an amount equal to 29% of the State’s General Fund appropriation per full–time equivalent student to the 4–year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year].

16–512.

(a) (1) The total State operating fund per full–time equivalent student appropriated to Baltimore City Community College for each fiscal year as requested by the Governor shall be:

(i) In fiscal year 2009, not less than an amount equal to 67.25% of the State’s General Fund appropriation per full–time equivalent student to the 4–year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the previous fiscal year;

(ii) In fiscal year 2010, not less than an amount equal to 65.1% of the State’s General Fund appropriation per full–time equivalent student to the 4–year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year; AND

(iii) In fiscal year 2011 AND EACH FISCAL YEAR THEREAFTER, not less than an amount equal to 65.5% of the State’s General Fund appropriation per full–time equivalent student to the 4–year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;

(iv) In fiscal year 2012, not less than an amount equal to 66% of the State’s General Fund appropriation per full–time equivalent student to the 4–year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;

(v) In fiscal year 2013, not less than an amount equal to 67% of the State’s General Fund appropriation per full–time equivalent student to the 4–year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year; and

(vi) In fiscal year 2014 and each fiscal year thereafter, not less than an amount equal to 68.5% of the State’s General Fund appropriation per
full–time equivalent student to the 4–year public institutions of higher education in
the State as designated by the Commission for the purpose of administering the
Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year].

17–104.

(a) The Maryland Higher Education Commission shall compute the amount
of the annual apportionment for each institution that qualifies under this subtitle by
multiplying the number of full–time equivalent students enrolled at the institution
during the fall semester of the fiscal year preceding the fiscal year for which the aid
apportionment is made, as determined by the Maryland Higher Education
Commission by:

(1) In fiscal year 2009, an amount not less than 16% of the State’s
General Fund per full–time equivalent student appropriation to the 4–year public
institutions of higher education in this State for the preceding fiscal year;

(2) In fiscal year 2010, an amount not less than 12.85% of the State’s
General Fund per full–time equivalent student appropriation to the 4–year public
institutions of higher education in the State for the same fiscal year; AND

(3) In fiscal year 2011 AND EACH FISCAL YEAR THEREAFTER, an
amount not less than [13%] 7.6% of the State’s General Fund per full–time equivalent
student appropriation to the 4–year public institutions of higher education in this
State for the same fiscal year[;]

(4) In fiscal year 2012, an amount not less than 13.5% of the State’s
General Fund per full–time equivalent student appropriation to the 4–year public
institutions of higher education in this State for the same fiscal year;

(5) In fiscal year 2013, an amount not less than 14% of the State’s
General Fund per full–time equivalent student appropriation to the 4–year public
institutions of higher education in this State for the same fiscal year;

(6) In fiscal year 2014, an amount not less than 14.5% of the State’s
General Fund per full–time equivalent student appropriation to the 4–year public
institutions of higher education in this State for the same fiscal year; and

(7) In fiscal year 2015 and each fiscal year thereafter, an amount not
less than 15.5% of the State’s General Fund per full–time equivalent student
appropriation to the 4–year public institutions of higher education in this State for the
same fiscal year].

Article – State Personnel and Pensions

2–509.1.
(A) The State shall continue to include a prescription drug benefit plan in the health insurance benefit options established under the Program [and available to retirees under].

(B) NOTWITHSTANDING §§ 2–508 and 2–509 of this subtitle [notwithstanding the enactment of], TO THE EXTENT ALLOWED UNDER the federal Medicare Prescription Drug, Improvement, and Modernization Act of 2003 or any other federal law [permitting states to discontinue], BEGINNING IN FISCAL YEAR 2011:

(1) RETIREES WHO ARE ELIGIBLE TO ENROLL IN FEDERAL PRESCRIPTION DRUG BENEFITS UNDER MEDICARE PART D MAY NOT PARTICIPATE IN THE prescription drug benefit [plans to retirees of a state] PLAN AVAILABLE TO ACTIVE STATE EMPLOYEES; AND

(2) THE STATE SHALL INCLUDE IN THE HEALTH INSURANCE BENEFIT OPTIONS ESTABLISHED UNDER THE PROGRAM A SUPPLEMENTAL PRESCRIPTION DRUG BENEFIT PLAN AVAILABLE TO RETIREES WHO ARE ELIGIBLE FOR FEDERAL PRESCRIPTION DRUG BENEFITS UNDER MEDICARE PART D.

Article – Tax – General

2–1104.

[(a) Except as provided in subsections (b) and (c) of this section, after] AFTER making the distributions required under §§ 2–1101 through 2–1103 of this subtitle, from the remaining motor fuel tax revenue, the Comptroller shall distribute:

(1) 2.3% to the [Chesapeake Bay 2010 Trust Fund] GENERAL FUND OF THE STATE; and

(2) any remaining balance to the Gasoline and Motor Vehicle Revenue Account of the Transportation Trust Fund.

[(b) For the fiscal year beginning July 1, 2008, instead of the distribution required under subsection (a)(1) of this section, the Comptroller shall distribute 2.3% of the remaining motor fuel tax revenue as follows:

(1) $6,500,000 to the General Fund of the State; and

(2) the balance to the Chesapeake Bay 2010 Trust Fund.]

[(c) For the fiscal year beginning July 1, 2009, instead of the distribution required under subsection (a)(1) of this section, the Comptroller shall distribute 2.3% of the remaining motor fuel tax revenue as follows:]


(1) $8,385,845 to the General Fund of the State; and
(2) the balance to the Chesapeake Bay 2010 Trust Fund.]

2–1302.1.

[(a) Except as provided in subsections (b) and (c) of this section, after [AFTER] making the distributions required under §§ 2–1301 and 2–1302 of this subtitle, of the sales and use tax collected on short–term vehicle rentals under § 11–104(c) of this article the Comptroller shall distribute:

(1) 45% to the Transportation Trust Fund established under § 3–216 of the Transportation Article; and
(2) the remainder to the [Chesapeake Bay 2010 Trust Fund] GENERAL FUND OF THE STATE.

[(b) For the fiscal year beginning July 1, 2008, after the distribution required under subsection (a)(1) of this section, the Comptroller shall distribute the remainder of the sales and use tax collected on short–term vehicle rentals under § 11–104(c) of this article as follows:

(1) $18,500,000 to the General Fund of the State; and
(2) the remainder to the Chesapeake Bay 2010 Trust Fund.

(c) For the fiscal year beginning July 1, 2009, after the distribution required under subsection (a)(1) of this section, the Comptroller shall distribute the remainder of the sales and use tax collected on short–term vehicle rentals under § 11–104(c) of this article as follows:

(1) $13,100,711 to the General Fund of the State; and
(2) the remainder to the Chesapeake Bay 2010 Trust Fund.]

**Article – Transportation**

13–410.

(a) (1) [Except as otherwise provided in this title, when [WHEN] it registers a vehicle, the Administration shall issue [to the owner:

(i) One] ONE registration plate[, if the vehicle is a Class D (motorcycle) vehicle, Class F (tractor) vehicle, or Class G (trailer) vehicle; and
(ii) Two registration plates for every other vehicle] TO THE
OWNER OF THE VEHICLE.

(2) [However, as to temporary registration, the] THE Administration
may provide for the issuance of [only] one temporary registration plate for any vehicle.

(b) (1) [Each] THE registration plate shall display:

(i) The registration number assigned to the vehicle for which it
is issued; and

(ii) The name of this State, which may be abbreviated.

(2) The registration number may consist of letters, numerals, or both.

(c) (1) This subsection applies only to the following vehicles:

(i) A Class A (passenger) vehicle;

(ii) A Class E (truck) vehicle registered or capable of
registration under § 13–917 of this title; and

(iii) A Class M (multipurpose) vehicle.

(2) At the option of the registered owner of a vehicle for which A
registration [plates are] PLATE IS issued under this title, in addition to the
information otherwise required to be shown on the registration [plates] PLATE, the
registration [plates] PLATE may display a sticker indicating the name of the county,
including Baltimore City, in which the owner of the vehicle resides.

(3) The Administration shall:

(i) Approve a sticker design option that complies with
paragraph (2) of this subsection; and

(ii) Offer to each vehicle owner applying for A new or
replacement registration [plates] PLATE under this title the option to select a sticker
that displays the owner’s county of residence.

(4) In addition to the annual registration fee otherwise required under
this title, the Administration may charge a fee, not to exceed its costs, for issuing or
replacing the county sticker offered under this subsection.

(5) A vehicle owner may not display stickers that show a county name
other than the owner’s county of residence.
(6) A county sticker issued under this subsection may not be placed on a special registration plate or a commemorative registration plate issued under Subtitle 6 of this title.

(d) Registration plates may be reflectorized and shall be manufactured of a material warranted to have a durability of at least 5 years. However, prior to registration plates being reflectorized, the Administration shall obtain approval of the General Assembly through a budget item.

(e) (1) During subsequent registration years, the Administrator may order the continued use of registration plates that are valid during any current registration year, and, after so doing, the Administrator shall issue, at the time a vehicle’s registration is renewed, a validation tab to evidence payment of the vehicle’s annual registration fee.

(2) The tab shall be displayed on the [plates] PLATE of the vehicle in the manner that the Administrator requires.

(3) The Administrator from time to time shall evaluate the condition of registration plates issued under this title and may provide for the manufacture and issuance of new registration plates. These new registration plates shall be issued and subsequently validated in the manner required by this subtitle.

(f) Notwithstanding the provisions of subsection [(c)] (D) of this section, the Administration may issue reflectorized registration plates under §§ 13–618 and 13–619 of this title.

(g) The dimensions of a registration plate issued for a Class D (motorcycle) vehicle shall be 7 inches wide by 4 inches high.

(a) On a vehicle for which two registration plates are required, one plate shall be attached on the front and the other on the rear of the vehicle.

(b) On a vehicle for which one registration plate is required, the] THE REGISTRATION plate shall be attached on the:

(1) Front of the vehicle for a Class F (tractor) vehicle; and

(2) Rear of the vehicle for every other vehicle.

[(c)] (B) At all times, [each] THE registration plate shall be:

(1) Maintained free from foreign materials, including registration plate covers as defined in § 13–411.1 of this subtitle, and in a condition to be clearly legible; and
(2) Securely fastened to the vehicle for which it is issued:

(i) In a horizontal position;

(ii) In a manner that prevents the plate from swinging; and

(iii) In a place and position to be clearly visible.

[(d)] (C) Except as otherwise expressly permitted by the Maryland Vehicle Law, as to any vehicle required to be registered under this title, a person may not drive the vehicle on any highway in this State, unless there is attached to the vehicle and displayed on it, as required in this title:

(1) A registration plate [or plates] issued for the vehicle by the Administration for the current registration period; and

(2) Any validation tab issued for the vehicle under this subtitle.

[(e)] (D) Except as otherwise expressly permitted by the Maryland Vehicle Law, as to any vehicle required to be registered under this title, the owner of the vehicle may not permit the vehicle to be driven on any highway in this State, unless there is attached to and displayed on the vehicle, as required in this title:

(1) A registration plate [or plates] issued by the Administration for the current registration period; and

(2) Any validation tab issued for the vehicle under this subtitle.

[(f)] (E) Except as otherwise expressly permitted by the Maryland Vehicle Law, a vehicle used or driven in this State may not display on either its front or rear any expired registration plate issued by any state.

[(g)] (F) Except as otherwise expressly permitted by the Maryland Vehicle Law, a person may not display or permit to be displayed on any vehicle used or driven in this State any registration plate issued for another vehicle or to a person other than the owner of the vehicle.

[(h)] (G) (1) A vehicle registered as a historic or antique vehicle (Class L) in this State or in another state, when used or driven in this State, may display vintage registration plates as an indication of the historic or antique nature of the vehicle. Except as provided in paragraph (2) of this subsection, the place on the vehicle provided for the display of a registration [plates] PLATE may only be used for the display of THE current registration [plates] PLATE in accordance with subsections (a) [through (c)] AND (B) of this section, and any vintage registration plates which are used shall be displayed elsewhere on the vehicle.
(2) If the Administration authorizes the display of vintage registration plates in lieu of THE current registration [plates] PLATE, as provided in § 13–936.1 of this title, the vintage registration plates shall be displayed as required under subsections (a) [through (c)] AND (B) of this section. However, the current registration [plates] PLATE shall be kept in the vehicle at all times.

[(i)] (H) It is the duty of every police officer to report to the Administration all vehicles operated in violation of this section. The Administration shall verify whether the owner of a reported vehicle has complied with this section.

SECTION 5. AND BE IT FURTHER ENACTED, That, notwithstanding § 12 of Chapter 487 of the Acts of the General Assembly of 2009, §§ 8–403 through 8–405 of the Transportation Article, or any other provision of law, for fiscal year 2011 only:

(a) The amounts otherwise required to be distributed to Baltimore City and the counties and municipalities under § 8–403 of the Transportation Article shall be distributed as follows:

(1) $440,255,990 to the General Fund;

(2) Up to the next $40,509,010 to Baltimore City and the counties and municipalities as follows:

<table>
<thead>
<tr>
<th>County</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allegany County</td>
<td>0.767%</td>
</tr>
<tr>
<td>Anne Arundel County</td>
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<tr>
<td>Baltimore City</td>
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<tr>
<td>Baltimore County</td>
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<tr>
<td>Calvert County</td>
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<tr>
<td>Caroline County</td>
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<tr>
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<tr>
<td>Cecil County</td>
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<tr>
<td>Charles County</td>
<td>0.801%</td>
</tr>
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<tr>
<td>Frederick County</td>
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<tr>
<td>Garrett County</td>
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<tr>
<td>Harford County</td>
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<tr>
<td>Kent County</td>
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<tr>
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<tr>
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<td>St. Mary’s County</td>
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<tr>
<td>Somerset County</td>
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<tr>
<td>Talbot County</td>
<td>0.302%</td>
</tr>
<tr>
<td>Washington County</td>
<td>1.068%</td>
</tr>
<tr>
<td>Wicomico County</td>
<td>0.954%</td>
</tr>
</tbody>
</table>
| Worcester County        | 0.333%; and
(3) Any amounts in excess of $480,765,000 as follows:

   (i) 11.5% to Baltimore City; and

   (ii) 88.5% among the counties and municipalities in accordance with §§ 8–404 and 8–405 of the Transportation Article.

(b) (1) The distribution to the General Fund required under subsection (a) of this section is in lieu of the distribution to the General Fund required for fiscal year 2011 under § 12 of Chapter 487 of the Acts of the General Assembly of 2009.

(2) The reductions required for fiscal year 2011 under § 12 of Chapter 487 of the Acts of the General Assembly of 2009 in the amounts to be distributed to Baltimore City and the counties and municipalities are superseded by the required distributions provided for under subsection (a) of this section.

SECTION 6. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that spending be further constrained in the annual State budget for fiscal year 2011 by implementation of the following actions:

(1) Reducing General Fund appropriations for the State–operated institutions of higher education in the University System of Maryland by at least $50 million by eliminating 1,000 positions, reducing the budget for travel by 50%, and substituting half–priced tuition in place of free tuition for employees;

(2) Reducing Medicaid spending by increasing Medicaid recoveries through the use of claims and eligibility audits and utilization reviews;

(3) Reducing General Funds by at least $6.3 million through across–the–board reductions of 1% to State agency general operating budgets;

(4) Eliminating all State funding for abortions in the Medical Assistance Program;

(5) Reducing all Office of Secretary budgets for cabinet level departments by 2%;

(6) Excluding funding for the State Aid for Police Protection formula, reducing General Fund grants for the Governor’s Office of Crime Control and Prevention by 10%;

(7) Realizing a General Fund savings of at least $1.8 million by reducing State agency advertising and promotion budgets;

(8) Capping all executive branch salaries at an amount equal to $1 less than the Governor’s salary;
A moratorium on all out-of-state travel for State employees;

Reducing State costs for electricity by 5%;

Reducing the budget for Maryland Public Television by $1.0 million;

Realizing savings by closing the Maryland Correctional Adjustment Center to State-sentenced inmates and maximizing the facility’s use for federal prisoners under a federal per diem agreement;

Eliminating 500 positions;

Reducing the appropriation in the Board of Public Works for the Maryland Zoo at Baltimore by 10%;

Eliminating the budget for chefs at Government House; and

Eliminating 10 positions in the Maryland State Police intended to implement Chapter 500 of the Acts of 2009 regarding the use of speed monitoring systems.

SECTION 7. AND BE IT FURTHER ENACTED, That any reference in the Annotated Code of Maryland to multiple registration plates rendered obsolete by this Act shall be corrected by the publisher of the Annotated Code, in consultation with the Department of Legislative Services, with no further action required by the General Assembly. The publisher shall adequately describe corrections made under this section in the editor’s note following the section affected.

SECTION 8. AND BE IT FURTHER ENACTED, That if any provision of this Act or the application thereof to any person or circumstance is held invalid for any reason in a court of competent jurisdiction, the invalidity does not affect other provisions or any other application of this Act which can be given effect without the invalid provision or application, and for this purpose the provisions of this Act are declared severable.

SECTION 9. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2010.