HOUSE BILL 1570

0lr0190 CF SB 1009

By: **The Speaker (By Request – Administration)** Introduced and read first time: February 10, 2020 Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

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State Budget – Relief From Budget Mandates

FOR the purpose of providing that, beginning with a certain fiscal year, the Governor, under certain circumstances, is not required to include an appropriation in the budget for any program or item in an amount that exceeds the appropriation for the program or item in a certain fiscal year; establishing certain exceptions; providing that the General Assembly may not enact certain legislation that creates a certain mandated level of funding except under certain circumstances; and generally relating to mandated funding for certain programs or items in the State budget.

- 10 BY adding to
- 11 Article State Finance and Procurement
- 12 Section 7–214
- 13 Annotated Code of Maryland
- 14 (2015 Replacement Volume and 2019 Supplement)
- 15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
 16 That the Laws of Maryland read as follows:
- 17 Article State Finance and Procurement
- 18 **7–214**.
- 19 (A) THIS SECTION DOES NOT APPLY TO:

20 (1) FUNDING REQUIRED FOR PUBLIC PRIMARY AND SECONDARY 21 EDUCATION, INCLUDING FUNDING FOR THE MARYLAND SCHOOL FOR THE DEAF 22 AND THE MARYLAND SCHOOL FOR THE BLIND;



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1 (2) THE STATE'S EMPLOYER CONTRIBUTION TO THE STATE 2 RETIREMENT AND PENSION SYSTEM REQUIRED UNDER § 21–308 OF THIS ARTICLE;

3 (3) ANY APPROPRIATION REQUIRED TO BE MADE TO THE REVENUE
 4 STABILIZATION ACCOUNT OF THE STATE RESERVE FUND UNDER § 7–311 OF THIS
 5 TITLE; AND

6 (4) ANY APPROPRIATION REQUIRED FOR THE PAYMENT OF 7 PRINCIPAL OR INTEREST ON STATE DEBT.

8 EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, **(B)** (1) 9 NOTWITHSTANDING ANY PROVISION OF LAW, INCLUDING A LAW THAT REQUIRES THE GOVERNOR TO PROVIDE A CERTAIN LEVEL OF FUNDING IN THE ANNUAL 10 BUDGET BILL FOR A SPECIFIC PROGRAM OR ITEM, BEGINNING WITH FISCAL YEAR 11 122023 THE GOVERNOR IS NOT REQUIRED TO INCLUDE AN APPROPRIATION IN THE BUDGET FOR ANY PROGRAM OR ITEM IN AN AMOUNT THAT EXCEEDS THE FISCAL 13YEAR 2022 APPROPRIATION FOR THAT ITEM OR PROGRAM AS APPROVED IN THE 14STATE BUDGET FOR FISCAL YEAR 2022 AS ENACTED BY THE GENERAL ASSEMBLY. 15

16 (2) THIS SUBSECTION DOES NOT APPLY IF THE REVISED ESTIMATE OF 17 TOTAL GENERAL FUND REVENUES FOR THE FISCAL YEAR IN WHICH THE BUDGET 18 BILL IS BEING PREPARED, AS REFLECTED IN THE REPORT OF ESTIMATED STATE 19 REVENUES SUBMITTED BY THE BOARD OF REVENUE ESTIMATES TO THE 20 GOVERNOR UNDER § 6–106(B) OF THIS ARTICLE, IN DECEMBER OF THAT FISCAL 21 YEAR EXCEEDS THE ESTIMATE FOR THE PRIOR DECEMBER, ADJUSTED FOR TAX LAW 22 CHANGES, BY MORE THAN 2%.

(C) THE GENERAL ASSEMBLY MAY NOT ENACT LEGISLATION THAT
CREATES A NEW REQUIRED LEVEL OF FUNDING IN THE ANNUAL BUDGET BILL FOR A
FUTURE FISCAL YEAR FOR A SPECIFIC PROGRAM OR ITEM OR INCREASES A
REQUIRED LEVEL OF FUNDING IN THE ANNUAL BUDGET BILL FOR A FUTURE FISCAL
YEAR FOR A SPECIFIC PROGRAM OR ITEM UNLESS IT ALSO ENACTS LEGISLATION AT
THAT SAME SESSION THAT REDUCES OR REPEALS AN EQUIVALENT AMOUNT OF
REQUIRED FUNDING FOR THE SAME FISCAL YEAR.

30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
 31 1, 2020.

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