

Chapter 483

(Senate Bill 332)

AN ACT concerning

Family Security Trust Fund – Requirement to Transfer Interest to the General Fund – Exemption

FOR the purpose of exempting the Family Security Trust Fund, under certain circumstances, from a certain requirement that certain interest accrue to the General Fund; requiring the State Treasurer, under certain circumstances, to pay certain investment earnings into the General Fund of the State; making a conforming change; and generally relating to an exemption for the Family Security Trust Fund from the requirement to transfer interest to the General Fund.

BY repealing and reenacting, with amendments,

Article – Health Occupations

Section 7-4A-03

Annotated Code of Maryland

(2009 Replacement Volume and 2011 Supplement)

BY repealing and reenacting, without amendments,

Article – State Finance and Procurement

Section 6-226(a)(2)(i)

Annotated Code of Maryland

(2009 Replacement Volume and 2011 Supplement)

BY repealing and reenacting, with amendments,

Article – State Finance and Procurement

Section 6-226(a)(2)(ii)62. and 63.

Annotated Code of Maryland

(2009 Replacement Volume and 2011 Supplement)

BY adding to

Article – State Finance and Procurement

Section 6-226(a)(2)(ii)64.

Annotated Code of Maryland

(2009 Replacement Volume and 2011 Supplement)

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

Article – Health Occupations

7-4A-03.

- (a) There is a Family Security Trust Fund.
- (b) The Board shall:
- (1) Administer the Fund; and
 - (2) Over a reasonable period of time, build the Fund to a level of [at least] \$1,000,000 and thereafter maintain the Fund at that level.
- (c) The Fund is a special, nonlapsing fund that is not subject to § 7-302 of the State Finance and Procurement Article.
- (d) (1) The Board shall deposit all money collected to the credit of the Fund with the State Treasurer for placement into a special account.
- (2) (i) The State Treasurer may invest or reinvest money in the Fund in the same manner as money in the State Retirement and Pension System.
 - (ii) The investment earnings shall be:
 1. [Credited] EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, CREDITED to the Fund; and
 2. Available for the same purposes as the money deposited into the Fund.
- (3) IF THE LEVEL OF THE FUND EXCEEDS \$1,000,000, THE STATE TREASURER SHALL PAY THE INVESTMENT EARNINGS OF THE FUND INTO THE GENERAL FUND OF THE STATE.**
- (e) The Fund is not liable for any other expenses or obligations of the Board.
- (f) (1) Accounting and financial reports related to the Fund shall be publicly available in a timely manner.
- (2) The Legislative Auditor shall audit the accounts and transactions of the Fund as provided in § 2-1220 of the State Government Article.
- (g) (1) The Board may retain the services of appropriate experts or service providers to advise about, or administer, the Fund.

(2) The costs of the services described in paragraph (1) of this subsection shall be paid out of the Fund.

(h) The Board shall adopt regulations for the administration and claims procedures of the Fund.

Article – State Finance and Procurement

6–226.

(a) (2) (i) Notwithstanding any other provision of law, and unless inconsistent with a federal law, grant agreement, or other federal requirement or with the terms of a gift or settlement agreement, net interest on all State money allocated by the State Treasurer under this section to special funds or accounts, and otherwise entitled to receive interest earnings, as accounted for by the Comptroller, shall accrue to the General Fund of the State.

(ii) The provisions of subparagraph (i) of this paragraph do not apply to the following funds:

62. Veterans Trust Fund; [and]

63. Transportation Trust Fund; AND

64. FAMILY SECURITY TRUST FUND, SUBJECT TO § 7–4A–03(D) OF THE HEALTH OCCUPATIONS ARTICLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2012.

Approved by the Governor, May 22, 2012.