



# The LEGISLATIVE WRAP-UP

Issue: 96-14

April, 1996 - Sine Die

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## Passage of Bills

At midnight on sine die the gavels fell in the House and Senate, signaling the end of the 410th Session of the Maryland General Assembly. When the legislature adjourned on April 8, it had passed 803 bills and joint resolutions out of a total of 2,299 introductions.

The Governor held the first bill signing ceremony Tuesday, April 9. To date, 83 bills have been signed into law. Other bill signing ceremonies have been scheduled for Tuesday, April 30, Tuesday, May 14, and Thursday, May 23. Several days before each date, the Governor's Office releases the list of bills to be signed. Article III, Section 30 of the Maryland Constitution requires all bills passed during the Session to be presented to the Governor for approval no later than 20 days after adjournment (April 28). The Governor has until May 28 to sign or veto bills passed during the 1996 Session.

## Agriculture

Landowners will get help from the State in controlling a fast-spreading wetlands reed that stabilizes shorelines, but crowds out native plants. HB 70/SB 65 call for a Department of Natural Resources (DNR) program to pay 50% of the costs of phragmites control.

Recreational crabbers won't have to be bothered with a license this year since HB 1117/SB 689 failed to pass, but a bill that would have prohibited DNR from adopting crabbing regulations after the crab season has begun failed as well.

## Alcoholic Beverages

Lawmakers have passed several measures that address alcohol abuse:

- HB 1149 will require motorists convicted of a drunk driving violation to pay for the installation of a device that will require a breath test in order to start their motor vehicle. If the driver's blood alcohol content reads above .025%, the car's horn begins to blare and the car won't start unless a sober reading is received;
- SB 277/HB 32 will increase the fine for causing a death while driving a motor vehicle or vessel under the influence of alcohol to \$5000;
- HB 236 will require juvenile courts to suspend the driver's license of any minor caught with alcohol on a school premise; and
- SB 344/HB 267 will make adults responsible if they "knowingly and willfully" allow alcoholic beverages to be possessed or consumed on their property by individuals under 21 years of age.

A bill to increase from 10,000 to 60,000 the number of barrels of malt beverages that a micro-brewery licensee may brew annually was referred to interim study. The current law only permits

brewpubs to produce small volumes of beer a year and an even smaller portion of that can be sold on the premises. HB 1399 would have allowed the small brewers to brew another 50,000 barrels a year at a second location.

Companion passed bills (SB 150/HB 487) will make it illegal for anyone under the age of 21 to possess any type of false identification, not just a fake driver's license.

## **Budget and Fiscal Matters**

The General Assembly passed the budget bill (CH 13-SB 160) appropriating \$14.6 billion for FY 1997 including \$7.4 billion in general funds, \$4.1 billion in special funds (including higher education), and \$3.1 billion in federal funds. The Governor does not have to sign the budget bill. The budget is - after reversions are counted - a mere \$12 million increase over FY 1996, the current fiscal year. The General Assembly made \$186.9 million cuts from the Governor's proposal and eliminated an additional 20 positions for a total position reduction of 607. Although there is no cost of living adjustment (COLA) for State employees, eligible workers will receive a merit increase on either July 1 or January 1. The budget assumes \$10 million in savings from early retirement inducements proposed in SB 1 that passed.

The General Assembly passed SB 296, "The Maryland Consolidated Capital Bond Loan of 1996" which authorizes the borrowing of \$373.3 million for State construction projects and for grants for mental health facilities, environmental projects, local jails, and for hospitals. This bill is a part of a \$402 million capital projects program for the improvement of the State. The Governor has an item veto for the provisions of this bill. The capital budget bill authorizes:

- Health and social projects - \$28.7 million including \$6.49 for community mental health projects, \$916,000 for adult day care centers, \$7 million for the University of Maryland Medical System, and \$4.9 for the Baltimore City Juvenile Justice Center;
- Environmental projects - \$25 million including \$1.5 million for the agricultural cost share program, \$14.9 million for the Chesapeake Bay Water Quality program, and \$3.1 million for underground storage tank replacement;
- Public safety - \$38.6 million including \$6.9 million for the Western Correctional Institution, \$2.7 million for a State police barracks in Westminster, and \$12.1 million for the Anne Arundel County Detention Center;
- Education - \$122.8 million including \$118 million for public school construction;
- Higher education - \$98.2 million including \$28.6 million for the School of Nursing at the University of Maryland at Baltimore, \$700,000 for a new academic building at Salisbury State University, \$18.2 million for the Center for the Performing Arts at the University of Maryland College Park, \$4 million for the Kent Hall renovation at St. Mary's College, and \$28 million for grants to community colleges;
- Housing and Community Development -\$13.8 million including \$11.2 million for the Partnership Rental Housing program, \$800,000 for historic preservation grants, \$900,000 for homeless shelter grants, and \$801,000 for Jefferson Patterson Park; and
- Economic development -\$18.7 million including \$8 million for the Baltimore Convention Center, \$1.3 million for Canal Place, \$5 million for the Technology Enterprise Center at the University of Maryland Baltimore County, and \$4 million for the Maryland Technology Center.

Other bond bills have passed in an amount totaling \$28.7 million for grants to private organizations including \$6 million to private colleges, \$5 million for hospitals, and the rest for various other groups including \$30,000 (HB 1191) to the Women in Military Service, \$500,000 (SB 271) for the Hannah More School, \$100,000 (HB 329) for the Greensboro Community Center, \$100,000 (HB 471) for the Southern Maryland Youth Camp, \$600,000 (HB 951) for the Center on Domestic

Violence, \$350,000 for the San Mar Children's Home, and \$400,000 (HB 1026) for the Child First After School Programs.

In an effort to improve the State's business climate and to encourage job growth in the State, the General Assembly has passed a number of bills concerning business taxation. HB 262 and SB 558, each entitled the "Job Creation Tax Credit Act of 1996", provide for an employer tax credit which is the lesser of \$1,000 and 2.5% of the wages to qualified employees (\$1,500 and 5% of wages for businesses in revitalization areas) for a business in specified industries that creates either 60 full-time jobs paying at least 150 percent of the federal minimum wage or 30 full-time jobs whose total wages are greater than 60 times the State's average annual salary. The tax benefit is \$1,500 or 5% of the wages for disabled employees. The maximum credit for a business in one year is \$1 million. The bills contain a provision for recapturing the credits if employment falls 5 percent below the level of the year for which the credit was given.

HB 2 would give a personal property tax exemption to manufacturing equipment and permit local governments to give a real property tax credit to the real property of a research and development facility.

HB 945 and SB 189 would give sales tax exemptions for production machinery and equipment SB 806 increases the county income tax disparity grants by stating that any county whose per capita income tax yield is less than 75% -up from the current 70%-of the per capita statewide yield is eligible for a disparity grant in an amount to bring the county's per capita income tax yield up to the 75% level.

HB 1232, which is a budget reconciliation bill, concerns the transfer of money among the various State funds. To balance the general fund, it provides that 90% of the State transfer tax after certain allocations are made is to be used for Program Open Space, the Agricultural Land Preservation Program, and the Heritage Conservation Fund with 10% to go to the general fund. To repay the Maryland Emergency Medical Systems Operations Funds for the purchase of a helicopter, the Governor is required to include \$2 million in the FY 1998 budget and \$2 million in the FY 1999 budget The transfer in the budget bill of \$7 million from the Used Tire Cleanup and Recycling Fund for sewage treatment plants is authorized in HB 1232.

## **Consumer Affairs**

With the passage of HB 304, the General Assembly opted to create a Task Force to Examine the State's Cemetery and Funeral Industry. The Task Force will assess the regulation of the funeral and burial industries, the cost of funeral merchandise, interest rates charged to consumers by the burial industries, issues facing small businesses in these industries, and other issues. The Task Force must issue a final report by January 1997. Other measures to license or regulate aspects of the cemetery and funeral industry failed to make it through the legislative process (SB 577, SB 731, SB 415/HB 491, SB 465, HB 657, HB 1168).

## **Courts**

Judicial Compensation Commission recommendations for judges' salary increases (SJ 4/HJ 7) were reduced for all but the Chief Judge of the Court of Appeals and passed, giving every judge of the Court of Appeals, Court of Special Appeals, Circuit Court, and District Court a pay raise of approximately 3%, effective October 1, 1996.

Maryland employers who give damaging references about former employees will have legal

protection against alleged employment defamation under HB 597 (passed). Currently a plaintiff must show that a former employer lied to a potential employer and that the plaintiff was damaged by the statement HB 597 creates a statutory assumption that everything a former employer says in a reference is said in good faith. That assumption could be overcome only by showing the former employer maliciously, recklessly, or intentionally told an untruth.

A bill replacing Maryland's contributory negligence system with a more plaintiff-friendly comparative negligence system (HB 836) was withdrawn after much wrangling between trial lawyers who supported the bill and business, insurance, and other groups worried about soaring litigation costs. Common law-based contributory negligence prevents a plaintiff from collecting damages at all if the plaintiff's own negligence in any way contributed to an injury. But comparative negligence, currently used in 46 states, allows a jury to apportion the fault for a plaintiff's injuries between multiple defendants and allows blame to be assigned to the plaintiff, which reduces the damage award.

Another plaintiff-friendly bill died (SB 607), this one aimed at restoring the 1992 legal standards for punitive damages. The bill would have required plaintiffs to prove only that a defendant acted "with a willful, wanton or reckless disregard for the rights of others", overturning 4 years of court decisions that require proof of "actual malice" before defendants are ordered to pay punitive damages.

A Senate committee failed to act on HB 18, passed by the House, to create a family division in the circuit courts of Baltimore City and Baltimore, Howard, Prince George's, and Montgomery counties to handle family, domestic, and juvenile matters in a more efficient and responsive manner.

## **Criminal Matters**

The Maryland Gun violence Act of 1996 (SB 215/HB 297) passed, after provisions to require licensing of handgun buyers, safety training, and fingerprinting for criminal background checks were amended out by the Senate. The gun control legislation will:

- limit handgun purchases to one per person per month;
- prohibit "straw purchases" in which someone buys a gun for a person who isn't allowed to own one;
- require criminal background checks and a 7-day waiting period for people who buy handguns from private individuals----the same requirements for guns bought from dealers;
- prohibit handgun sales to people who have protective orders filed against them in civil court;
- allow police responding to a domestic violence call to temporarily remove guns from the house;
- allow gun dealers to fax applications for background checks to State police to speed the process;
- make it a specific offense to disarm a police officer; and
- create a specific penalty for firing a gun from a motor vehicle.

A number of bills easing gun ownership restrictions were killed, including constitutional amendments to add the right to keep and bear arms (SB 16, HB 124) and proposals to allow persons to apply for a permit to carry a gun without proving a need to carry one (SB 91, HB 884).

Cloned phone use or possession becomes a misdemeanor with a maximum penalty of a \$2500 fine and 3 years in jail under HB 177 (passed). In addition, manufacturing, distributing, or selling a cloned phone will be a felony punishable by up to \$10,000 in fines and 5 years in jail.

Victims' rights advocates gained another victory in the passage of SB 254 giving victims of violent crimes or their relatives the right to present oral testimony at parole hearings against the early release

of their assailants. Currently victims may attend hearings and submit written statements, but have no right to testify.

Promoting truth in sentencing will be the aim of the Maryland Commission on Criminal Sentencing Policy created by SB 222/HB 299 (passed). The Commission will make recommendations to ensure that sentences imposed will determine the sentences served and that judges are able to impose the most appropriate criminal penalties, including criminal sanctions other than total confinement or traditional probation and parole. A final report is due by September 30, 1997.

In an effort to reduce recidivism, the General Assembly passed SB 272/HB 620 making substance abuse treatment available to all inmates in State facilities. A doctor's diagnosis of drug or alcohol dependence would be needed to begin treatment, as well as the prisoner's written consent. The bills require annual reports on the program and a phasing in of funding over a 4-year period, with 550 inmates served the first year, 550 additional inmates in each of the next 2 years, and 1000 additional inmates in the fourth year. In addition, certain State agencies are to conduct studies of alcohol and drug treatment programs for inmates and juvenile offenders nationwide and within Maryland and assess the need for such programs for pregnant and postpartum women and women with young children.

The Task Force to Examine Maryland's Crime victims' Rights Laws sponsored SB 699/HB 975 (passed) that will implement a crime victim notification procedure. Provisions include requirements to notify victims of rights and services, develop a uniform notification request form and brochures, establish a system whereby a single request would entitle victims in circuit court to be notified throughout the criminal justice process of progress on the cases involving them, and make permanent the funding provision that provides for victim assistance and criminal injury compensation.

Funding for public safety services across the State will be increased under SB 578 and HB 898, passed by the General Assembly. The measures increase court costs from \$15 to \$20 for persons found guilty in district court, increase State funding based on the number of people living in a local jurisdiction from \$2 to \$2.50 per person, and increase State funding for each municipal police officer from \$900 to \$1200. A portion of the increased district court costs will also go to the Criminal Injuries Compensation Fund and a newly created victim and Witness Protection and Relocation Fund.

SB 45/HB 44 (passed) eliminate the "Year and a Day" rule that allows a charge of murder or manslaughter to be brought against a person only if the victim dies within 366 days of the incident.

SB 133 (passed) makes it a crime to use a computer to try to seduce minors and authorizes State police to enforce the law within incorporated municipalities that have their own police force. Soliciting a minor for sexual conduct and making computer-generated child pornography would net a fine of up to \$25,000 and a jail term of up to 10 years.

Knowingly attending a deliberately conducted dogfight will be a misdemeanor under HB 125 (passed), with a maximum penalty of a \$1,000 fine and 90 days in jail.

A bill designed to make it harder for people who kill their spouses in the belief that the spouse had committed adultery to be convicted of anything less than murder (HB 1169) died when a Senate committee took no action on it.

SB 615, requiring all sexually violent predators to register with law enforcement agencies upon their release from prison and allowing that information to be released at the discretion of the agency, failed in a House committee.

## **Economic Matters**

With the passage of HB 1, the legislature endorsed the promotion of heritage tourism in Maryland. The measure provides incentives for the development of areas of cultural, historic, recreational, or scenic significance as tourist destinations. The bill creates an authority to oversee the establishment of heritage areas and to provide grants and technical assistance to recognized heritage areas. The legislation is intended to boost the tourism industry in Maryland by concentrating resources on a system of designated heritage areas throughout the State.

Bills to repeal in its entirety the prevailing wage law for public works contracts (HB 286 and SB 442) or to carve out exemptions to the law (HB 284, HB 285, HB 759) all died in committee. Both of the right-to-work bills introduced this year also died in committee (SB 206 and HB 642).

## **Education**

Both SB 8 and HB 368 passed to establish a task force to study setting up a Maryland prepaid tuition savings program. Also to be studied by the Maryland Higher Education Commission is the time it takes to earn a college degree (SJ 6). SB 542, to broaden the exemptions from conflict of interest standards for higher education personnel engaged in research and development activities is in the pipeline to the Governor. Other education bills that passed both houses are SB 221(CH 4) and HB 298 (CH 5) creating a statewide student code of conduct and allowing for student suspensions for up to 10 days instead of the current 5, and HB 1254 enabling a disabled student who brings a firearm onto school property to be placed in an interim alternative education program. Also passed and signed by the Governor is SB 220 (CH 3), authorizing the State Superintendent of Schools to give money as recognition awards to schools that show substantial improvement towards meeting standards in the Maryland School Performance Program. State aid for community colleges will be enhanced by the passage of SB 462 (CH 6/HB 1217 (CH 7)).

HB 7, concerning a county's maintenance of effort requirement in funding the county schools, passed. The bill requires a county school board to make a report to the county if it has made spending commitments in a major category in excess of the appropriation. If a school board does not make the required report, under certain circumstances, the county school board will be prohibited from spending over the appropriated amount during the next fiscal year. The bill requires that a county appropriate money for a local school board in an amount equal to the enrollment times the per pupil appropriation for the prior year. A county with declining enrollments would not have to maintain total funding at the same level. Certain nonrecurring costs are excluded from the maintenance of effort requirement. The State Board of Education may temporarily or partially waive the requirement if the county's fiscal condition warrants it after a public hearing.

Bills related to education that did not pass include:

- HB 971 concerning the access of deaf students to out-of-state educational centers (referred for interim study);
- HB 1288 prohibiting any school system in the State to charge a fee for public school students to use the bus system; and
- SB 270 requiring the Maryland School for the Blind to include on their Board of Directors one member from the House and one member from the Senate.

## **Elections**

A major recommendation of the Task Force to Review the State's Election Law, submitted Dec.31, 1995, was for the legislature to continue revision work with a 9-member commission. This would be accomplished by SB 6/HB 127 (passed), sponsored by the Task Force.

Another measure, also sponsored by the Task Force, CH 2-HB 128, simplifies the balloting process for absentee voters by eliminating the requirement for an affidavit on the application. Another successful bill dealing with absentee ballots, HB 93, will standardize the time and date for canvassing the ballots.

A fourth passed bill, also recommended by the Task Force, HB 1391, will repeal criminal penalties for elections judges; the Task Force felt these penalties, besides discouraging prospective judges, were unenforceable. HB 414 (passed) will repeal the requirement that members of the Board of Elections be residents of the county where their board meets. HB 499 will increase from \$300 to \$1,000 the minimum reporting requirement for certain campaign contributions.

Both chambers' versions of a bill on "decline" judges---SB 139 and HB 50---passed with amendments. The bills will allow election judges not affiliated with a political party to serve, although an amendment specifies that efforts will be made first to fill vacancies with registered voters affiliated with the major parties. Finally, SB 482/HB 653 will allow any losing candidate in a general or special election to petition for a recount.

## **Environment**

Many bills related to the environment were introduced this Session but few passed. The General Assembly could not agree on the clean up standards to be imposed or the degree of liability relief to be granted in the case of the Brownfields legislation (HB 5 and SB 205) which encouraged clean up and redevelopment of contaminated commercial sites. SB 517 (passed) expanded the State Wildlands by over 20,000 acres, less than the amount originally called for in the bill, and clarified the question of ownership of mineral rights on the affected lands.

Of the two dozen bills introduced to modify the Lead Poisoning Prevention Program and the Vehicle Emission Inspection (VEIP) Program, only 4 passed:

- HB 16 reduces the clean up requirements for exterior surfaces, requiring that no chipping or peeling be evident instead of requiring removal of the lead paint;
- HB 1433 provides for the dedication of some of the Lead Poisoning Prevention Fund to be used by the Community Outreach and Education Program (Failed lead related bills were HB 61, HB 85, HB 111, HB 139, HB 237, HB 939, HB 958, HB 1457, and SB 549); and
- HB 66 and SB 174 postpones the implementation of the Enhanced Vehicle Inspection Program until 1997. In addition, SB 174 requires the MVA to develop an incentive program to encourage voluntary participation in the Dynamometer testing.

(Failed bills that would have exempted certain counties or modified the VEIP Program were HB 143, HB 188, HB 300, HB 602, HB 1038, HB 1077, HB 1456, SB 162, SB 193, SB 212.)

HJ 18 which urged federal, state and local governments and agencies to cooperate in exploring options for disposal of dredge material from the Chesapeake Bay shipping channel, including the area of the bay known as the Deep Trough, did not pass. However, the requirement and funding for a study of the options is included in the budget as passed.

## **Ethics**

Ethics-related bills that passed were SB 140/HB 355, which specify that certain activities don't disqualify an individual from participating in a procurement; and CH 18-SB 102 which will change the financial disclosure requirements under the Public Ethics Law for interest in a corporation.

HB 722 (failed) would have required lobbyists to state the value of an event or function, and the name of the donor, in group invitations to committees or the General Assembly.

## **Family Law**

Law enforcement officers will be required to arrest persons who violate a protective order from another state under HB 334 (passed). The bill also authorizes the entry of out-of-state protective orders into the Maryland Interagency Law Enforcement System where they may be accessed by any judge or law enforcement agency.

The Welfare Innovation Act of 1996 (SB 778) received legislative approval, repealing current Aid to Families with Dependent Children (AFDC) law and creating a new system called the Family Investment Plan (FIP). Although the legislation cancels a welfare reform project approved last Session that was scheduled to begin this summer in Prince George's and Anne Arundel Counties and Baltimore City, SB 778 includes provisions to:

- offer cash assistance to recipients only as a last resort In the interim, families would get "welfare avoidance grants" to tide them over;
- enforce new work requirements by applying a "full family sanction", cutting off all benefits in cases where a recipient does not report for required work or training. Currently, only the offending adult's portion of the grant is cut in such cases;
- prohibit regulations that would count federal Supplemental Security Income (SSI) payments for sick or disabled children as unearned income in the State formula for calculating cash assistance;
- offer a child care voucher to an applicant if the applicant is required to participate in work or job search activities as a condition of eligibility, or if it will eliminate the applicant's need for cash assistance;
- eliminate the increment in cash benefits due to the birth of an additional dependent child and provide child specific benefits;
- permit aid to families with more than I parent in the home, lifting the general prohibition against assistance to families with a father or stepfather present;
- allow a recipient to keep a car of any value, repealing the current \$1,500 maximum;
- offer considerable flexibility to local welfare directors to tailor their efforts to individual circumstances;
- authorize the Department of Human Resources to contract with charitable, private, and religious organizations and institutions of post secondary education to provide clients with assistance;
- require a welfare applicant to file for child support and welfare at the same time;
- provide services to noncustodial parents who are in need of employment services in order to pay for child support obligations;
- allocate to demonstration projects at least 10% of the savings anticipated for the current fiscal year achieved through caseload reductions or other reductions in the total amount of cash assistance benefits paid out;
- require creation of a 3-year pilot project to administer "second chance homes" to provide supervised living arrangements and health care to needy teen parents and their children;
- require creation of a pilot project to administer the "Home Instruction Program for Preschool Youngsters";
- create a legislative Joint Committee on Welfare Reform to provide oversight and study of issues relating to the provision of FIP and related benefits and services;



- require the Department of Human Resources to establish a task force to evaluate the burden on employers resulting from the development of a new hire registry and to increase the voluntary registration of employers; and
- impose a 5-year limit on benefits and require recipients to enter community service after 2 years only if the federal government orders states to do so.

A House committee killed SB 227, to require child support to continue until a child either marries or turns 18, except if an unmarried child still attends public school at 18, support would continue until the child graduates or turns 19.

## **Financial Institutions**

Legislation has passed that reorganizes the offices of Banking Commissioner and Commissioner of Consumer Credit as the Commissioner of Financial Regulation (HB 1260). The office continues as a unit of the Department of Labor, Licensing, and Regulation. The bill also permits bank and credit examinations to be conducted at 18 month intervals if the Commissioner determines a 12 month review is not necessary. Similar language regarding examinations of financial institutions is included in HB 166 that also passed.

## **Health**

SB 750, the Maryland Medical Assistance Program-Managed Care Organizations or the Medicaid reform bill, to move patients covered by Medicaid into HMOs was approved by both chambers after a conference committee ironed out differences.

Both HB 863 and companion measure, SB 392, to allow women to see a gynecologist without referral from a primary care doctor have been adopted. Amendments made in conference committee to both measures require the obstetrician/gynecologist to confer with the primary care doctor on procedures that are not routine gynecological care rendered during an annual visit.

SB 181/HB 119 which would require insurance coverage for reconstructive breast surgery has been adopted by both chambers. The measure provides that insurance coverage will be available for mastectomy and reconstructive breast surgery including augmentation, mammoplasty, reduction mammoplasty, and mastopexy.

Also passed is the Health Care Provider and Payor Act of 1996 (SB 624/HB 1374) which among its provisions prohibits insurers and HMOs from reimbursing a health care provider in any amount less than the negotiated rate or prohibiting health care providers from discussing health coverage or treatment options with a patient. These bills also establish a Task Force to Study Patient Provider Appeal and Grievance Mechanisms.

Although a large number of tobacco-related measures were introduced this Session, none of them were adopted. Two House measures (HB 326) concerning penalties for sales to minors by vending machines and (HB 331) regarding restrictions and liabilities on cigarette vending machines were supported by the House, but failed in the Senate. SB 588 regarding taxation of smokeless tobacco products and the creation of the Tobacco Awareness Fund and SB 471 concerning the placement of vending machines were supported by the Senate, but died in the House.

Bills introduced on the subject of the state Health Care Access and Cost Commission's statewide medical database and protection of medical patients' privacy HB 1030/SB 530, HB 1031/SB 529, and HB 557/SB 702 failed. Other health related measures that failed were:

- HB 518 Health Insurers & HMOs - Drug Benefits Coverage for the Nicotine Patch;
- HB 997 Parents' Right to Know - Pesticide Applications - Schools and Child Care Centers;
- HB 1213/SB 695 Partial-Birth Abortions -Prohibition;
- HB 1351/SB 429 Commercial Law - Trade Regulation - Fairness in Drug Pricing Practices;
- SB 58 Maryland Breast Cancer Research Fund -Income Tax Checkoff;
- SJR 2 Task Force to Study the Under representation of Minority Physicians in HMOs;
- SB 78 Senior Institutions of Higher Education - Requirement for Immunizations; and
- SB 532/HB 1029 Nurse Psychotherapists - Authority to Prescribe and Dispense Drugs.

## **Housing**

A measure (SB 564) that would increase the time a tenant has to appeal an eviction from 2 to 5 days has passed. A similar bill (SB 563), which would have allowed tenants facing eviction to show good cause to a judge in order to postpone the event, failed. Another measure (SB 143) which would require new home builders to provide written disclosure of any environmental hazards within a one-mile radius of a new home site received support by one chamber, but not the other.

## **Insurance**

Several anti-discrimination provisions were passed affecting the availability of insurance to consumers in Maryland. Unfair trade practices would now be defined as health insurance discrimination based on gender, race, age, religion, national origin, or a protected category under the American with Disabilities Act (CH 47-H B 245) and discrimination by life and health insurers toward victims of domestic violence (SB 339/HB 39). Also CH 24-SB 276 restricts use of genetic tests for insurance purposes.

SB 204 creates a Task Force on Emerging Medical and Surgical Treatments to study insurance coverage of newly identified treatments. HB 859 clarifies reimbursement to providers of emergency services for HMO enrollees. HMO payment is required for services authorized by the HMO, if the HMO does not provide round-the-clock access to a physician or as required by federal law. Preauthorization by the HMO is not required for emergency services to be provided, but HMOs can bill enrollees for services that are determined not to be emergencies.

SB 433/HB 1271 close a loophole in last year's legislation and now authorize a guaranteed 4-hour hospital maternity stay for an uncomplicated delivery and a minimum 96-hour stay for Caesarean births.

Proposed health insurance mandates that failed include diabetes equipment and supplies (SB 49/HB 227); autism treatment (SB 315), and prostate testing as originally introduced (SB 497).

Other failed bills include SB 519 which legislated the establishment of community health networks of doctors and hospitals able to compete with health insurers and HMOs in providing health care services; HB 1154 which prevented utilization review agents from denying coverage after a patient had been treated or refusing to pay for physician-ordered medical tests with insurers or HMOs; SB 203 which required greater disclosure to consumers about HMO operations and no committee action on HB 943 which authorized out-of-network referrals by insurers and HMOs if recommended by a panel of experts.

Proposals to offer income tax credits for purchase of long-term care insurance (HB 623) and the establishment of medical savings accounts (HB 73 and HB 743) ended in committee.

An expansive initiative by the Administration to lower auto insurance rates across the State through a variety of reform measures and waiver of current mandatory coverage was scaled back by the legislature. The passed bill now focuses on insurance fraud by prohibiting the use of "runners" at accident scenes to solicit business for lawyers and health care providers (HB 264).

## **Sports and Gaming**

### Gaming

None of the statewide gaming bills passed the legislature this year. Among the bills that failed were 2 that would have allowed slot machines at race tracks, HB 1380 and HB 1435.

### Sports

Two bills affecting the football stadiums passed the legislature. One was HB 1267 which requires team owner Art Modell to reimburse the State \$24 million for construction of the \$200 million Baltimore football stadium. The bill was passed with amendments prohibiting professional baseball from being played regularly at the proposed Washington stadium, and requiring the Stadium Authority to ask for legislative approval if the Authority plans to put a dome on the Camden yards football stadium. The other stadium bill that passed was HB 509 which set the purposes for which revenues from permanent seat licenses can be used.

HB 1396 requiring boxers and kick boxers to submit to blood tests for HIV and Hepatitis B passed the General Assembly.

## **State Government**

Passed measures addressing the reorganization of State government would:

- Create the Department of Budget and Management by transferring the personnel functions of the Department of Personnel (DOP) to the Department of Budget and Fiscal Planning (DBFP), abolishing DOP and renaming DBFP as the Department of Budget and Management, and transferring the State's telecommunications functions including the telephone relay service for individuals with disabilities from the Department of General Services to the new Department(HB 348); Restructure and rename some components in the Department of Business and Economic Development (HB 1250) and in the Department of Housing and Community Development (HB 1264); and
- Establish a Council on Management and Productivity in the Department of Budget and Fiscal Planning and abolish the old Efficiency 2000 Commission (SB 794)

A major reorganization and reform of the State's Personnel Management System was accomplished by an amended HB 774. The old categories of classified and unclassified employees would be replaced by four new levels--executive, management, professional, and skilled. The bill also contains provisions for a performance-for-pay system. The number of leave days allotted to employees would remain the same, but would be reconfigured by eliminating the current holidays of Defender's Day, Good Friday, Lincoln's birthday, and Maryland Day and making the day following Thanksgiving a holiday. Three additional personal leave days would be granted for a total of 6. The changes in the system are to take place June 30,1998.

SB 1 was adopted by both chambers after a conference committee recommended amendments acceptable to both sides. The bill provides for retirement for employees with 30 years of service or

those with 25 years of service who are at least 50 years old. Employees may also retire with at least 20 years of service, regardless of age, if their positions are eliminated by budget cuts. Retiring employees will receive 1 month of credit for each year of service and for the greater part of a year. However, there are penalties for workers who retire without 30 years of service and are under age 60 or 62 depending on the retirement system. The conference committee also agreed to State payment of the entire cost of health insurance premiums for 12 months for employees whose positions are eliminated by budget cuts and who are not retiring. The bill would take effect on June 1, 1996.

The collective bargaining bills (SB 316/HB 350) that were a part of the Governor's legislative package to the General Assembly did not pass.

## **Transportation**

Controversial measures to change the formula by which highway user revenues are distributed to local governments and the State have passed the legislature. Under HB 677/SB 673, Baltimore City will see its share shrink over time to 40% of the funds, with the rest of the money divided among the counties. The reduction to the City will be offset with money found in other areas of the budget, including an additional \$10 million from a State grant for jurisdictions with low-income populations.

Also passed was SB 364 that will establish new statewide noise limits for boats by setting maximum noise limits of 90 decibels on all State waters, thereby creating a more efficient way to measure loud boats.

Motorcycle riders will have to keep wearing helmets as a result of unfavorable committee votes on SB 334/HB 978 and HB 977 that would have exempted individuals at least 18 years old from wearing protective head gear.

After the Senate unanimously passed SB 592, a House committee decided not to act upon the legislation that would have allowed some truckers to spend more hours driving, since highway safety advocates raised concerns about the measure.

The House killed 2 measures (SB 147/HB 561) to require motorists to turn on their headlights when operating windshield wipers. The law would only have been enforced if another traffic law were being violated. Time ran out on HB 1413, that would have allowed the State Department of Transportation to develop new rules for soliciting private investment funds for roads, bridges, and other traditionally public projects that currently are funded through the Maryland Transportation Trust Fund. Since HB 216 was killed, jet skiers will not be required to complete a two-hour course on how to use the craft safely or pass a test before driving the boats.

## **Utilities**

A House committee voted unfavorably on HB 1238 that would have prohibited a public service company from using funds collected under its regulated services, (such as electricity) for activities that are not regulated by the Public Service Commission (such as the sale and installation of heating and air conditioning units).

With the passage of SB 217, a Technology Investment Fund will be created to store savings the State will receive when the new Federal Telecommunications bill goes into effect. The revenues will be used to support information technology projects, including statewide and campus-wide networks. The fund will also focus on supporting distance learning and other educational projects.

HB 565 (passed) would allow the Public Service Commission to authorize charges on directory

assistance calls made by residential customers after the first 2 calls per month. Currently, residential customers get 6 free directory assistance call per monthly billing cycle.