



The LEGISLATIVE WRAP-UP

Issue: 98-14

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Introduction

When the gavels came down at midnight, the General Assembly of Maryland had passed 901 bills and resolutions out of 2,266 that were introduced. Senate bill introductions numbered 799 with 358 bills that passed. There were 17 Senate joint resolutions of which 6 passed. The House of Delegates introduced 1,428 bills and 22 joint resolutions and passed 531 bills and 6 resolutions. Governor Glendening signed 107 of the passed bills into law on Tuesday, April 14.

The next bill signing will be April 28 with 2 more scheduled for May 12 and May 21. Under Article III, Section 30 of the Maryland Constitution, all bills passed during a Session must be presented to the Governor for approval no later than 20 days after adjournment (May 3 this year) and the Governor is required to sign bills within a maximum of 30 days after presentment if he approves the bills (June 2).

Agriculture

Milk was an important issue this Session. The controversial bill that enables Maryland to apply to join the Northeast Interstate Dairy Compact, which sets the price for wholesale milk, **HB 237**, passed in the last days of the Session with a 2-year sunset provision; with the passage of **HB 166**, milk is now the official State drink.

Alcoholic Beverages

The General Assembly did not pass **SB 160/HB 361** which would have reduced the blood-alcohol level for drunk driving from .10 to .08 and lowered the driving while impaired level from .07 to .06. Also failing was **SB 33** that would have prohibited liquor stores from selling alcoholic beverages through a walk-up or drive-through window.

Budget and Fiscal Matters

Operating Budget

The General Assembly has enacted the \$16.6 billion Budget Bill, **SB 125**. The legislature reduced the Governor's original request by \$151.4 million including contingent reductions. The budget increases spending by \$890 million over the last fiscal year, but is \$9 million under the Spending Affordability Committee's guidelines.

Capital Budget

Transportation

Utilities

The General Assembly also passed a \$430 million bond bill package for FY 1999. The major portion of the package consists of **SB 217**, the "Maryland Consolidated Capital Bond Loan of 1998," in the amount of \$405.7 million. This bill provides \$27.8 million for general State facilities, \$84.1 million for health and social facilities, \$32.1 million for environmental facilities, \$24.9 million for correctional facilities and State police facilities, \$129.5 million for public school construction, \$77.9 million for higher educational facilities, \$19 million for housing and community development, \$2 million for Canal Place, and \$5 million for Silver Spring redevelopment. There is also an additional \$6 million for bond authorizations for independent colleges and universities, \$3.3 million for hospitals, and \$28 million for other local projects. \$13 million in debt was de-authorized for a net debt authorization for FY 1999 of \$430 million.

HB 657, concerning school construction in Prince George's County, was approved. The bill permits the county school system to construct school facilities for joint use by the school system and other public agencies. The bill also provides an additional \$35 million per year in public school construction grants for 75% of the eligible costs with a matching fund requirement.

Tax Legislation

The General Assembly passed bills reducing the taxes Marylanders pay by \$185 million (**SB 750, HB 66/SB 223, HB 1244/Chapter 6 of 1998**). **SB 750** accelerates the State income tax reduction by increasing the reduction to 5% from 2% for 1998 and to 6% from 4% for 1999; **HB 66/SB 223** provide for a refundable earned income credit graduated from 10% of the federal credit in FY 1999 to 15% in FY 2002; and **HB 1244/Chapter 6** expands the eligibility for the State's property tax "circuit breaker" program. (Note that **HB 66** has been signed as **Chapter 5** of 1998.)

Also among the passed tax measures the Governor must consider are: **HB 531**, concerning the boat excise tax, that excludes the value of a boat traded-in to a dealer from the taxable sales price of a boat; **SB 273** and **HB 5**, which provide a property tax exemption for property used for biotechnology, computer software development, and research and development purposes; and **HB 1142**, which exempts property inherited by certain not-for-profit organizations from the inheritance tax.

SB 378/HB 1016, regulating property tax sales, passed. The bills tighten the regulation of tax sales by permitting a tax collector to refuse bids not made in good faith, to exclude a property from the sale, and to establish a high-bid premium of 20% of the amount by which the highest bid exceeds 40% of the property's full cash value. The premium is refundable under certain conditions.

Among the failed bills related to taxes are:

- **SB 310** which would have capped State income taxes for capital gains above \$1.3 million;
- **HJ 1** which requested the Governor to provide funds toward the repayment of the State's debt sufficient to enable the State to reduce its property tax rate for 1 year;
- **HB 1379** which would have mandated that debt repayment funds be provided;
- **HB 150** which would have given a one-time refund for all income tax filers;
- **HB 1070, SB 602, and SB 628** which also would have provided income tax reductions; and
- **HB 608** which would have provided a sales tax free week for clothing purchases and a hotel tax free week.

Local Governments

Several proposals related to local governments and fiscal matters were approved. **SB 487**, which would permit a county to increase or decrease its county income tax in amounts of 2%, as well as 5 %, passed. Currently, rates above 50% may be increased or decreased in 2% increments only.

SB 113/HB 216, as passed, change the process used by municipalities and counties to evaluate and

determine property tax setoffs. Eight counties fall under the provisions of these bills and are currently required to provide a tax differential if the municipality demonstrates that it performs certain services in lieu of similar county services. The bills to provide relief for local governments by requiring the State to pick up the employer's portion of the Social Security tax for certain school system employees all died (**HB 222, HB 1071, SB 449**).

Constitutional Amendments, Referenda, and Straw Ballots

Out of the 30 bills that would have proposed amendments to the Maryland Constitution, 2 passed: **HB 192** relating to jury trials in civil proceedings and **HB 229** concerning the judiciary in Montgomery and Harford Counties. Among the measures introduced that would have required voter approval by referendum, none passed that would have been considered on a Statewide ballot; however, 2 passed pertaining to Frederick County (**HB 519, SB 720**) and 2 relating to Cecil County (**HB 974, SB 557/Chapter 33**). Two measures calling for a straw ballot passed. One relates to the number of county commissioners in Caroline County (**HB 884**) and the other addresses the selection of members of the school board of Somerset County (**HB 1105**). The straw ballot proposal for voters in Eastern Shore counties that would have posed the question of secession from the State was defeated (**SB 564**).

Consumer Affairs

Several bills pertaining to Maryland's "Lemon Law" are on their way to the Governor:

- **SB 89/HB 196** which require the Motor Vehicle Administration to develop and make available to new car dealers a notice describing consumers' rights under the Maryland Automotive Warranty Enforcement Act; and
- **SB 10/HB 206** which extend the Maryland Automotive Warranty Enforcement Act to apply to motorcycles.

SB 641, the Real Estate Licensing Reform Act, also passed. Among other things, the bill provides for the form and content of the written disclosure of representation that is required of real estate licensees in residential real estate transactions and for the conditions under which real estate licensees may act as dual agents. Additionally, the bill establishes requirements for brokerage agreements, implements requirements to which licensees must comply in providing real estate services, and clarifies the relationship between a licensee and a common source information agency.

Measures pertaining to the use of digital signatures that were introduced this Session included **HB 523**, which passed, and **HB 432**, which died. **HB 523**, the Maryland Digital Signature Pilot Program, allows the use of digital signatures in communications involving specified State agencies and governmental entities. **HB 432** would have dealt with digital signatures on a larger scale and would also have established, in coordination with other states, uniform rules for the authentication and reliability of electronic messages.

Other failed bills included:

- **HB 1114** which would have banned the sending of unsolicited commercial e-mail and would have provided for a penalty of up to \$1,000 for each violation;
- **HB 725**, which would have made it an unfair and deceptive trade practice to use a name in the conduct of a person's business to intentionally misrepresent the geographic origin or location of the business; and
- **SB 149**, which would have protected consumers who are left with unused gift certificates

when a restaurant goes out of business.

Courts

Tobacco Litigation and Related Bills

After lengthy debate and consideration, the General Assembly passed **SB 652**, concerning State claims against tobacco product manufacturers. The bill (1) cuts by ½ the fee of the attorney representing the State in its lawsuit against cigarette manufacturers to recoup the billions of dollars paid for treatment of Medicaid patients suffering from smoking-related illnesses; (2) allows statistical analysis to be used as evidence to prove or disprove the case; (3) allows the State to make claims on behalf of current and past Medicaid patients, even though those people arguably contributed to their illnesses by choosing to smoke; and (4) states the intent of the General Assembly that a portion of any recovery received by the State be allocated to a program to be established to offset losses suffered by Maryland tobacco farmers.

Tobacco-related bills that failed included: **HB 763** and **HB 1073** that would have increased the State's cigarette tax, **HB 568/SB 578** that concerned the use of any money received from a tobacco settlement, and **HB 995** that concerned the payment of attorneys' fees for tobacco litigation.

Other Court-Related Legislation

Successful legislation includes:

- **SB 332**, to establish the Maryland Legal Services Corporation Fund to provide civil legal services to indigent persons, funded in part by newly authorized civil case filing fee surcharges in the circuit courts and District Court;
- **SB 25/HB 468**, to require lawyers who directly solicit accident victims or criminal defendants to meet specific content requirements for each communication sent;
- **SB 172/HB 270**, to seal public access to files, court records, and charging documents pertaining to an arrest warrant until the warrant is served or until 90 days have elapsed since it was issued, or in the case of warrants issued pursuant to a grand jury indictment or conspiracy investigation, until all arrest warrants for any coconspirators have been served; and
- **HB 112**, to protect from liability farmers who host historical or cultural reenactments who are sued by a person injured at the event.
- Since the General Assembly did not change the proposal made by the Judicial Compensation Commission (**SJ 2/HJ 2**), State judges' salary increases will apply beginning in FY 1999.

The legislature denied approval to a number of court-related bills, including:

- **SB 399/HB 12**, which would have permitted courts to grant immunity to civic activists opposed to business ventures and development who are defendants in "Strategic Lawsuits Against Public Participation" or SLAPP suits. (Defendants would have been permitted to file a counterclaim and move to dismiss the alleged SLAPP suit.);
- **SB 618**, which would have replaced the current contributory negligence standard in personal injury litigation with a less strict comparative negligence standard;
- **HB 187**, which would have changed the name of the Court of Appeals to the Supreme Court of Maryland and the name of the Court of Special Appeals to the Maryland Appellate Court;
- **HB 1312**, which would have required a written justification of a plea agreement by a State's Attorney for defendants charged with a crime of violence or use of a handgun in committing a felony or violent crime;
- **HB 710**, which would have required every State's Attorney to file an annual report on plea

- agreements with the Attorney General's Office;
- **SB 331**, which would have granted to the State Prosecutor, who investigates political corruption cases, expanded powers to subpoena evidence, compel testimony, and grant immunity; and
- **HB 1409**, which would have increased the responsibilities of a person who injures or kills a pet, as well as the amount of recoverable damages if the pet owner brings suit.

Criminal Matters and Corrections

General Legislation, Passed and Failed

SB 633 (passed) would require private home detention monitoring agencies to be licensed under regulations adopted by the Department of Public Safety and Correctional Services. The regulations would establish license qualifications, how closely companies should monitor clients, and how quickly they must report violations, among other issues.

SB 68/HB 309 (passed), the Juvenile Justice Act of 1998, would divest jurisdiction of the juvenile court over subsequent acts of a child who has previously been convicted as an adult of a felony and is subsequently alleged to have committed an act that would be a felony if committed by an adult. The bills would also weaken confidentiality requirements for juvenile records, return eligibility to youth services bureaus for participation in the Juvenile Justice Facilities Capital Program, and establish a Commission on Juvenile Justice Jurisdiction to examine the surge in the number of youths being charged as adults.

SB 29/HB 245 (passed) would override the common law "Slayer's Rule" by providing that a conviction for intentional homicide is admissible in a subsequent civil proceeding to determine entitlement to the assets of the homicide victim in order to establish that the convicted individual may not share in the distribution of the estate or life insurance proceeds.

HB 914 (passed) would give police more power to investigate child pornography and solicitation of a child for sex by adding those crimes to the list of offenses that may be lawfully investigated by intercepting wire, oral or electronic communications.

Bills that failed to gain legislative approval include:

- **HB 277**, to license and certify bounty hunters as private detectives;
- **HB 399**, to require firearms dealers to provide a trigger lock or a child safety handgun box for each handgun sold;
- **HB 266**, to require all handguns sold in the State to meet performance standards for child resistance;
- **SB 555**, to require the Governor to give 10 days notice to the General Assembly and 90 days notice to the public before commuting a sentence or granting a pardon;
- **SB 267/HB 69**, to prohibit a lame-duck governor from granting an inmate a pardon or commutation;
- **HB 14**, to allow for citations for prostitution, lewdness, littering, trespassing, interference in athletic events, and disturbing activities at a school or college, with the aim of streamlining police work and unclogging the courts; and
- **SB 566**, to add as aggravating circumstances, in determining a sentence of death for first degree murder, whether the person committed the crime while operating as a "drug kingpin", while bringing drugs into the State in excess of certain amounts, while bringing a minor into the State for use in the commission of a drug offense, or while using a minor to manufacture, deliver, or distribute drugs.

Victim's Rights

Among passed victims' rights measures were:

- **SB 241/HB 501**, to give victims of child abuse and violent crimes the chance to speak at parole hearings;
- **SB 242/HB 506**, to require a State's Attorney to notify victims, when possible, about plea agreements and judicial actions;
- **SB 280/HB 501**, to require a judicial review panel to hold a hearing before reducing a criminal's sentence and to require that a victim be notified of the hearing and be allowed to testify; and
- **SB 343/HB 500**, to require a court to find that, in a criminal trial or open court juvenile delinquency adjudicatory hearing, the defendant would be denied a fair trial if the victim was allowed in the courtroom, and to prohibit sequestration of victims after they have testified.

Increased Criminal Penalties and New Crimes

Legislation that passed to increase criminal penalties includes:

- **SB 43**, to increase the penalties for failure to comply with the relief granted in a domestic violence ex parte order or protective order;
- **SB 368**, to establish a penalty of imprisonment for not more than life without the possibility of parole for those convicted of kidnapping a child under the age of 16 and committing first degree rape or a first degree sexual offense on the child; and
- **HB 1067**, to modify a current aggravating circumstance in determining the death penalty by including all persons involved in the crime of murdering a law enforcement officer performing official duties under jeopardy of the death penalty. This would include a principal in the second degree if that person, with premeditation, intended the officer's death, was a major participant in the murder, and was actually present at the time and place of the murder.

Passed legislation establishing new crimes, includes:

- **SB 222/HB 140**, to extend Maryland's law against telephone harassment to cover electronic mail misuse;
- **HB 161**, to make it a criminal offense to perform female genital circumcision; and
- **HB 923**, to make it a crime for a person with access to a computer to exceed his/her authority in using the computer.

All bills concerning penalties for making, using, or threatening to use bombs failed this Session. These include **HB 1307**, **SB 101/HB 219**, **HB 230**, **SB 100**, and **HB 72**.

Economic Matters

HB 7, establishing the Maryland Science, Engineering, and Technology Development Corporation, passed the General Assembly. The Corporation will be granted various powers and exemptions, including an exemption from State and local taxes, to support and promote the commercial-ization of scientific research and development in the State, both in the private sector and through various associations with colleges and universities.

A Construction Apprenticeship Program will be established in the State if the Governor signs **HB**

1152. The Program will award grants of up to \$1,000 per apprentice to eligible private sector entities that operate apprenticeship programs in the State. A Senate floor amendment proposing to add a provision that each State-funded school construction project require the contractor to have in place an approved apprenticeship program and to hire a certain number of State-registered apprentices was rejected.

After failing to pass the General Assembly for the past several years, workers' compensation legislation involving intoxication and the use of controlled dangerous substances has been signed into law by the Governor. **SB 36 (Chapter 108)/HB 372 (Chapter 64)** will deny workers' compensation benefits other than medical care to covered employees and their dependents if alcohol or drugs are found to be the primary cause of an on-the-job injury. Both measures provide an exception for employees who are taking a controlled dangerous substance under the prescription of a physician.

Political subdivisions will be able to apply to the Department of Business and Economic Development for an expansion of an enterprise zone under **SB 107/HB 320** which passed. The measures will allow for 1 extraordinary expansion of an existing enter-prise zone in any 12-month period if the area in question meets certain requirements and is considered to have suffered a significant loss of economic base.

Another measure that will provide aid to local governments also passed. **SB 446** will set up a "local version" of the Sunny Day Fund by authorizing the Department of Business and Economic Development to grant money to certain local government funds established for the purpose of economic development within that local jurisdiction. The granting of funds will be based on a number of factors, including the average rate of unemployment for the local jurisdiction in comparison to the average rate for the State. Local governments will be required to provide matching funds.

None of the bills introduced in response to the ongoing controversy surrounding the construction of hotels in Baltimore City passed. **SB 417/HB 317** would have prohibited the provision of a direct or indirect public subsidy of \$5 million or more for the construction of 1 or more hotels at certain sites in Baltimore City unless the subsidy had been approved by local referendum. **HB 96** would have eliminated the Maryland Stadium Authority's obligation to make a financial contribution to the annual operating deficits of the Baltimore Convention Center if the Baltimore City Council had approved the construction of a hotel at the proposed Inner Harbor East site that did not meet certain size requirements.

Other measures that failed this Session include:

- **SB 354** which proposed to establish economic sanctions against Nigeria;
- **HB 577** which would have prohibited the use of an employee's union dues for political contributions without the employee's written consent;
- **SB 493** which would have established the Biotechnology Production Incentive Fund to encourage the development and manufacture of biotechnology products;
- **HB 191** which would have abolished the State's remaining blue laws as they pertain to car sales; and
- **HB 169** which would have required companies that acquired property or facilities from the Mental Hygiene Administration or the Developmental Disabilities Administration to hire, to the extent feasible, developmentally disabled individuals.

Education

Several bills given legislative approval address college scholarships and tuition, as well as other student issues. **HB 249/SB 174** establish the Maryland Science and Technology Scholarships. The State will give up to \$3,000 a year to B-average students who study certain science, engineering or computer fields at Maryland colleges and who go to work for companies in the State. **HB 257** exempts money distributed from pre-paid tuition accounts from State taxes. **SB 268** provides a subtraction modification for the individual income tax for the amount contributed for the purchase of a prepaid tuition account, up to an amount of \$2,500 annually. **SB 723** adds a student's home phone number and address to the list of information that must be kept confidential by school systems.

HB 1/SB 171, the School Accountability Funding for Excellence bills, providing increased State aid for schools, passed. The measure increases State aid for schools serving low-income children or children speaking little or no English, for elementary school libraries, for the development of professional educators, and for teacher mentor programs in Prince George's County. It also requires the Prince George's County school system to develop a spending plan for certain State aid and to have a performance audit of the schools.

Elections

A number of measures concerning elections and campaign financing were considered by the General Assembly this Session. **SB 118**, a general revision of the State's election code, won approval from both chambers. It improves the organization of the code, clarifies existing provisions, repeals obsolete provisions, and makes minor substantive changes. **SB 123**, as it emerged from conference committee and passed, alters the requirements to form a new political party by requiring the petition signatures of at least 10,000 eligible registered voters. The bill also revises the requirements for a new party to retain political party status.

The following election-related bills were also successful:

- **SB 121/HB 121** to extend the voter registration period by shortening the period of time before an election during which an individual may not register to vote;
- **SB 122/HB 122** to provide for an automatic recount of votes cast in election if the difference in votes for the top 2 candidates is 0.1% or less. (In the case of a question, a recount will occur if the difference in "yes" votes and "no" votes is 0.1% or less.); and
- **SB 126/HB 123** to allow nominees for lieutenant governor to become their party's nominee for governor should a gubernatorial nominee die, decline the nomination, or be disqualified 15 days or less before an election.

Failed legislation included **SB 609/HB 1001**, relating to public financing of campaigns for candidates seeking election to the General Assembly. The bills would have established the Clean Campaign Public Financing Act and would have provided State funds for candidates willing to limit the total amount spent on their campaigns.

Two other bills relating to campaign finance reform that did not pass this year were **SB 224/HB 449**. These bills would have limited, under most circumstances, the amount of money that could be distributed between a slate and its candidate members to \$6,000 per 4-year election cycle. Current law exempts a slate from any limitation on the transfer of money among candidate members of a slate.

Finally, **SB 158** was introduced this Session to repeal the governor's authority to apportion legislative districts, making the General Assembly responsible instead. It failed in committee.

Environment

A plan to control nutrient runoff that has been blamed for causing last summer's pfiesteria outbreak was resolved in a conference committee at the end of the Session, resulting in the passage of **HB 599/SB 178** and **HB 493/SB 177**. Farmers will be required to develop nutrient management plans, to reduce nitrogen runoff by 2003 and phosphorus runoff by July 1, 2005, or face fines up to \$2,000 per year; poultry producers will be required to use a phosphorous reducing enzyme in poultry feed beginning in 2001; and the State will assist in the transport of farm wastes to farms in need of natural fertilizer. Farmers trying to control nonpoint source pollution will be eligible for below market rate loans through a special, linked deposit program.

The health of Maryland waters will also be helped with the passage of **SB 398**. The bill prohibits the use of hydraulic clam dredging equipment in areas of submerged aquatic vegetation of the Chesapeake Bay. Use of the dredging equipment destroys the underwater sea grasses that absorb harmful nutrients from the Bay and provide an important habitat for fish and crabs.

Two other bills of interest that passed were **HB 286**, which requires school systems to develop an integrated pest management system and to notify parents of elementary school students of pesticide use, and **HB 1024** which gives local governments more input and control in the State refuse disposal permit process.

Family Law

Marriage and Divorce

SB 194/HB 9 (passed) would eliminate the 1-year waiting period for a divorce for victims of domestic violence who are the object of either "cruelty of treatment" or "excessively vicious conduct" when there is no reasonable expectation of reconciliation.

The legislature denied approval to a number of bills concerning marriage and divorce, including:

- **HB 15**, which would have broadened the adultery law to specifically include extramarital homosexual affairs;
- **SB 565**, which would have denied recognition of same-sex marriages legally performed in other states and foreign countries; and
- **HB 1259**, which would have made valid in Maryland a marriage between 2 consenting adults, not necessarily a man and a woman.

Child Welfare and Adoption

The Child Welfare Workforce Initiative of 1998, **HB 1133**, passed to require the creation and implemen-tation of a plan to improve the employment qualifications, staffing ratios, training, and competency testing of child welfare service caseworkers and casework supervisors. The Department of Human Resources would be prohibited from employing contractual caseworkers or supervisors except to meet an unanticipated need, in which case the contractual position may last no longer than 1 year. A caseworker or supervisor who works as a contractual employee would be allowed to transfer to a budgeted position under certain circumstances. Salaries of caseworkers and supervisors would be reviewed, and recommended salary adjustments adequate to recruit and retain personnel would be included in the plan.

SB 529/HB 59 (passed) would relax confidentiality laws in child abuse or neglect cases that result in a fatality or serious physical injury, if disclosure is not contrary to the best interests of the child or other children in the household, and if the alleged abuser or neglecter has been charged with a crime

related to a report of child abuse or neglect.

SB 648 (passed), the Child Protection Act of 1998, would help expedite the adoption process for children. The bill would provide, in the independent adoption process, that a court give primary consideration to the safety and the emotional, psychological, and physical health of the child in making a specific finding as to whether it is in the best interest of the child to terminate a natural parent's rights. **HB 1093**, also passed, adds similar provisions to general State adoption and foster care laws to bring the State into compliance with recent changes in federal law.

Legislation passed that would grant adult adoptees increased access to their birth records and assistance in contacting birth relatives through search, contact, and reunion services offered by confidential intermediaries (**HB 214**).

The legislature defeated measures to prohibit a parent more than 60 days delinquent in child support payments from collecting from an estate distribution, damages awarded in a wrongful death action, or insurance payments upon the death of the child (**SB 196**), and to deny a child's parent, who has been convicted of the murder or manslaughter of the other parent, the right to custody of the child or visitation rights with the child (**SB 46/HB 189**).

Public Assistance

Under **SB 715/HB 350** (passed), grants would be provided to emergency food providers who would also, as a condition of distributing the food, provide to needy individuals information that would encourage them to become self-sufficient, as well as information on Maryland's earned income tax credit.

Legislation to set up a pilot program to prevent welfare fraud by "finger imaging" welfare recipients (**SB 315**) or welfare and food stamp recipients (**HB 910** and **HB 1201**) failed.

Financial Institutions

If there is no gubernatorial veto, amended legislation (**HB 202/SB 105**), based on the recommendations of a 1997 interim task force, will make several reforms in the regulation of the mortgage lending business. Provisions restrict the number of points to 10 that mortgage brokers and lenders may charge on secondary mortgages and increase the scope of fraudulent mortgage lending activities which constitute a felony. The bill would also increase penalties for fraudulent mortgage practices, provide for continuing education requirements for mortgage industry personnel, and alter measures to secure disbursement of funds at settlement.

As passed, **HB 428** streamlines the process for conversion of federal savings and loans and savings banks to State-chartered commercial banks; pending federal legislation may eliminate this type of federal charter resulting in those institutions converting to State charters.

Health

Health Care and Administrative Matters

SB 85 (passed), the Children and Families First Health Care Act of 1998, expands the Medicaid program to qualified women and children from families with incomes up to 200% of the federal poverty level. An estimated 60,000 Maryland children will have access to health care if the measure is signed into law. Qualifying women are uninsured and pregnant and qualifying children are uninsured and under 19 years of age. The measure requires families earning near the income limit to

contribute a premium for their insurance. It also requires an employee who earns near the income limit and is offered insurance through his/her job to participate in the private plan. In addition, the bill prevents qualifying workers from terminating employer-provided health insurance and entering the program for at least 6 months. **HB 4**, the Children and Families First Health Care Act of 1998 on the House side, stalled in a conference committee.

HB 149 (passed) establishes a Task Force to Study Increasing the Availability of Substance Abuse Programs. Amendments by the Senate require the Task Force to examine the availability of substance abuse programs designed for women, pregnant women, and women with children, as well as the outcomes of these programs in relation to the length of stay. In addition, the Task Force is charged with examining the health insurance coverage available in the State for substance abuse treatment. The measure also requires the Alcohol and Drug Administration to find an appropriate berth in an area safe for public access for a substance abuse program known as the U.S.S. Sanctuary.

HB 479 (passed and signed as **Chapter 74**) adds several diseases/viruses to the list of contagious diseases/viruses required to be reported by health care providers to certain personnel who might have been exposed, such as first responders, law enforcement officers, fire fighters, or emergency medical technicians.

SB 230/HB 318 (passed), the William H. Amoss Organ and Tissue Donation Act of 1998, changes current law to ensure that the wishes of organ and tissue donors are implemented, to increase the numbers of potential donors, and to effectively communicate with potential organ donors and their families. These bills are **Chapter 1** and **Chapter 2**, respectively.

Failed bills include:

- **HB 2**, the Maryland Health Care Regulatory and Systems Reform Act, which, as introduced, was intended to integrate, consolidate, and streamline certain health care regulatory responsibilities under the Maryland Health Regulatory Commission;
- **SB 521**, another health care regulatory reform measure, which would have transferred and altered responsibilities and health functions of the Health Resources Planning Commission, the Department of Health and Mental Hygiene, the Health Services Cost Review Commission, the Maryland Insurance Commissioner, and the Health Care Access and Cost Commission;
- **SB 145**, which would have prohibited partial birth abortions;
- **HB 459/SB 309**, which would have authorized a county to establish a needle exchange program;
- **SB 760**, which would have established a task force to study the long-term health consequences of nasal radium irradiation medical procedures;
- **SB 579**, the Local Government Health Funding Incentive Program, which would have encouraged counties to increase funding for community services by allowing them to leverage additional federal funds and to specify particular community service providers who could receive funds; and
- **HB 244**, which would have allowed Statewide expansion of needle exchange programs (withdrawn).

Medical Profession and Licensing

SB 445, requiring certification of nursing assistants by the State Board of Nursing, passed as did **HB 768/SB 306**, providing for qualifications and licensure of clinical professional counselors, clinical marriage and family therapists, and clinical alcohol and drug counselors.

Measures that failed or were withdrawn include: **HB 267**, which would have authorized a pharmacist to administer a prescription or nonprescription drug to a patient under certain circumstances; **HB 1187**, which would have authorized a licensed pharmacist to enter into a collaborative practice agreement with a licensed physician, dentist, or podiatrist under specified conditions; **HB 328**, which

would have allowed crematory operators to transport a dead human body for the sole purpose of conducting a cremation; **SB 218**, which would have required licensure as a tattoo artist by the State Board of Cosmetologists of any individual who provides tattoo artist services; and **SB 532**, which would have allowed non-physician licensed or certified health care providers to be chosen or designated as primary care providers in an HMO.

Tobacco Products

SB 505, which would have prohibited the operation of a tobacco product vending machine anywhere in the State except in taverns, tobacco shops, or establishments from which minors are prohibited by law from entering, received an unfavorable report from a Senate committee. **HB 172**, which would have prohibited the sale of tobacco products by vending machine, failed to reach a vote in the Senate on the last day of the Session.

Housing

SB 94, which provides that a condominium or homeowners association may not prohibit the use of a unit for a "no-impact home-based business", unless the prohibition is approved by a simple majority of the eligible voters of the condominium or homeowners association, passed both houses.

HB 36, which specifies that a condominium, homeowners association, or cooperative housing corporation may not prohibit or restrict a resident from displaying political signs except under certain circumstances, and which generally relates to political expression for owners and residents, also passed.

HB 38/SB 18, which, among other things, allow unit owners of a condominium or lot owners of a homeowners association to assemble to consider and discuss matters relating to the operation of the condominium or homeowners association, was approved.

SB 314, which would have made tenants who knowingly write bad checks to their landlords subject to felony charges, failed.

Insurance

Health Matters

Legislative passage of 2 bills (**HB 3/SB 401**) gives health consumers new rights to challenge managed care health insurance decisions when coverage is denied. The bills establish a complaint process for adverse decisions through the Insurance Administration. Decisions on non-emergency cases are to be rendered generally within 30 working days, 45 working days for retrospective denial of services already provided, and emergency cases in a 24-hour time frame. Additionally, the bills require a health maintenance organization's director to be licensed as a Maryland physician, and assistant and associate medical directors, as well as the HMO medical director, to be certified by the Maryland Insurance Administration. Carriers will be assessed to carry out provisions of the law.

As passed, **SB 667** prohibits an insurer or HMO from assigning, transferring, or subcontracting a health care provider's contract to an insurer that offers personal injury protection coverage without first informing the provider and obtaining the provider's consent.

Both chambers adopted conference committee reports for bills (**HB 248/SB 136**) that require the Health Care Access and Cost Commission to review current and proposed health insurance mandate.

Several mandated health insurance benefits were adopted by the General Assembly this Session: cleft palate and cleft lip (**HB 507/SB 545**); medical clinical trials (**HB 45/SB 137**); contraceptive prescription drugs and devices (**HB 457/SB 335**); and general anesthesia for dental care for designated minors with specific needs (**SB 479**). Not adopted were proposals which included a provision for 48-hour hospitalization for breast cancer surgery patients (**HB 19/SB 470**).

Homeowners and Automobiles

As enrolled, **SB 766** and **HB 1356** address standards for cancellation or refusal to renew homeowners insurance and private passenger motor vehicle insurance. With respect to homeowners insurance, cancellation or non-renewal is prohibited unless there are 3 or more weather-related claims within the preceding 3-year period. However, the bills create exceptions that may reasonably be used in an insurer's cancellation or refusal to renew these policies. For private auto insurance, an insurer is not permitted to cancel or refuse to renew coverage with 2 or fewer claims within the previous 3 years when the accidents or losses were not the fault of the insured. The bills make exceptions to be applied by insurers, such as consideration of license or registration suspension within the previous 2 years or 3 or more moving violations against the insured or covered driver within the preceding 2 year period.

Passed in an enrolled version, **SB 8** prohibits denial of private auto insurance based on the credit history of the applicant.

A Senate committee rejected **HB 570** which generally restricts injured uninsured motorists who knowingly do not carry required auto insurance from collecting pain and suffering awards in an action against an individual driving a motor vehicle with required insurance.

Insurance Administration

With respect to funding for the Insurance Administration, the legislature adopted a revised assessment formula for insurers' regulatory fees and creation of a Insurance Regulation Fund (**SB 705**). The bill also establishes a 4-year term for the Insurance Commissioner who is currently appointed by the Governor with the advice of the Senate.

Sports and Gaming

HB 296, which repealed the sunset for the Washington County Gaming Commission, passed both Houses. The Commission regulates tip jars in the County.

HB 678, allowing video lottery terminals at racetracks, and proposing to use the proceeds from such terminals on education, failed in committee.

SB 312, which died in committee, sought to authorize colleges to receive gifts or donations in exchange for the right to name an athletic facility, as long as the name did not contain the name or logo of a corporation. Also killed in committee was **HB 946** which would have prohibited an increase in the official price of an admission ticket to a professional baseball or football game played at a stadium in Camden Yards without prior approval of the Stadium Authority.

State Government

The pensions of State employees and school teachers will be enhanced under the much-debated **HB 987**. As amended by the Senate and then passed by the General Assembly, this bill sets up a mandatory new pension structure that does not permit any employees or teachers to remain in the

current system, but also does not require a vesting period in the new system for current members. **HB 987** would require a 2% employee contribution, with a 1.2% multiplier at retirement for service with the option that current employees may elect to take the benefit formula now in place for past service, if that turns out to be higher. There is a 3% compound COLA for both active members and for retirees. Also, for State employees who choose to participate in a defined contribution program, there would be a dollar-for-dollar State match of up to \$600 per year. The bill excludes teachers from the defined contribution program and local government employees from the entire structure.

Other passed measures that made adjustments in State government include **HB 269** under which The Office of Aging is slated to become the new Department of Aging, the 15th principal department in the Executive Branch. If either **HB 185/SB 240** are enacted, the State will be required to develop a nonvisual access clause for use in its contracts for procurement of information technology after December 31, 1998. Nonvisual access is defined as the ability, through keyboard control, synthesized speech, braille, or other methods not requiring sight, to retrieve, use, and manipulate information and operate controls necessary to access information. Under **HB 983** the State would reinstitute a Telecommuting Pilot Program for State personnel. The necessity for development of a high-speed electronic network in Maryland will be the topic of study for a new task force under **HB 847**.

Maryland has 2 new State symbols: milk is now the State drink (**HB 166**) and the *Astrodon johnstoni* is the State dinosaur (**SB 520**). Efforts failed to recognize English as the State language (**HB 443/ SB 236**).

Two resolutions (**SJ 4/HJ 4**) have passed that would set up a Special Study Commission on the Maryland Public Ethics Law. The Commission will study matters related to legislative ethics with a report due to the President and the Speaker by February, 1999. Commission membership will include 9 private citizens, the Majority and Minority Leaders from the Senate and the House, and the Co-Chairmen of the Joint Committee on Legislative Ethics. **HB 1248**, that would have provided the Joint Committee on Legislative Ethics with a full-time counsel with no outside duties, did not pass.

Two former Senators were honored by their colleagues this Session. As previously mentioned, the William S. Amoss Organ and Tissue Donation Act of 1998 (**SB 230/HB 318**) and the William S. Amoss Fire, Rescue, and Ambulance Fund (**SB 282**) were dedicated to the memory of the late Senator Bill Amoss from Harford County. The Senator John A. Cade Memorial Highway (**SJ 13**) commemorates the service of the late Senator Jack Cade from Anne Arundel County. These bills have been signed by the Governor as **Chapters 1, 2, and 3**, respectively.

Transportation

Licensing and Penalties

The following legislation was included among the bills that passed:

- **HB 527/SB 271** would require teenagers in Maryland to drive longer with adult supervision and wait an additional 6 months to get their permanent licenses. These measures would require new drivers to have a learner's permit for 4 months, and a full license would not be issued to an individual who has not reached the age of 17 years and 7 months. Persons younger than 18 years old must be off the road between midnight and 5:00 a.m. The legislation also requires all new drivers to take driver's education classes and have 6 hours of on-the-road training;
- **SB 184/HB 548** would establish the Motor Vehicle Registration Enforcement Fund to help local police agencies target motor vehicles improperly registered with out-of-state tags; and
- **HB 1194** would require a police officer to notify the United States Department of State of traffic violations committed by diplomats and forward all reports to the Maryland Motor Vehicle Administration.

Measures that failed included **SB 32** that would have doubled the penalties for reckless driving. Current law allows drivers to request the Motor Vehicle Administration (MVA) to keep their personal information, such as name, address, height, race, medical disabilities, social security number, and telephone numbers, private. Also failed were **SB 159/HB 354** and **HB 329** which would have closed all personal information of drivers unless the person in interest gave written authorization. **HB 1185** (failed) would have repealed the motorcycle helmet law to make it apply to minors only.

Commemorative Plates

If the Governor approves, **HB 5/SB 42** will extend the State of Maryland's Chesapeake Bay Commemorative License Plate Program to the year 2000. Vehicle owners must pay \$20 for the special plates, which feature a wildlife scene, with \$12 going to the Chesapeake Bay Trust and the rest to the Motor Vehicle Administration for processing. **SB 88** (passed) would create a special commemorative license plate for animal lovers. After administrative costs are deducted, the rest of the money collected through the program will be dispensed to the counties and Baltimore City for dog and cat spay and neuter surgeries.

Intercounty Connector

A measure known as the Intercounty Connector (ICC), which has been discussed in one form or another for over 30 years, would connect Interstate 270 in Gaithersburg with Interstate 95 and U.S. Route 1 in Laurel. **HB 817** and **HB 911**, which failed, would have prohibited the State from spending any funds, or granting any approvals, relating to the construction of the ICC. Also failed were **HB 903**, which would have taken the land in Montgomery County currently reserved for the ICC project and turned it into a State Park, and **SB 441**, which would have required the Maryland Department of Transportation to study a road in Howard County as an alternative route for the ICC.

Utilities

Time ran out on **HB 10** which would have enacted a gradual deregulation plan for Maryland's electric utility industry. It would have also allowed public service companies to form holding companies that would not have been regulated by the Public Service Commission.