



# The LEGISLATIVE WRAP-UP

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## This Week

## **THIS WEEK**

Friday, February 26 marked the 45th day, the halfway point of the 1999 session.

## Agriculture

## **AGRICULTURE**

A House committee has heard testimony on **HB 67** which proposes to increase, from \$50,000 to \$75,000, the maximum amount of assistance farmers could get from the Maryland Agricultural Water Quality Cost-Share Program for installing pollution control measures that protect water quality. The bill would not increase the total budget for the Program, but would decrease the possible number of funded projects.

## Budget and Fiscal Matters

## Civil Rights

## **BUDGET AND FISCAL MATTERS**

## Courts

**HB 667** has been scheduled for a hearing on March 17. This proposal would amend the Maryland law that regulates the selling, shipping, and trans-orting of cigarettes within the State by extending licensing requirements and tobacco taxes to cigarettes sold via the Internet.

## Criminal Matters and Corrections

How to spend the State's share of the tobacco litigation settlement money is the target of several bills now moving through the process. Maryland expects to receive \$175 million in fiscal 2000, \$224 million in fiscal 2001, \$142 million in fiscal 2002, and \$138 million in fiscal 2003 in settlement money.

## Education

The Governor has included \$54.3 million of the expected settlement payment in the Budget Bill (**HB 120**) for:

- education and awareness programs to discourage children from using alcohol, tobacco, and other drugs and to encourage those who are already addicted to seek assistance;
- smoking cessation programs;
- programs to reduce public school class size, particularly for reading in the early elementary grades and mathematics in the middle school grades;
- high quality and affordable after-school programs;
- substance abuse treatment programs;
- cancer research, cancer research facilities, and other health facilities; and
- programs to assist tobacco growers and promote alternative agricultural uses for land now used for growing tobacco.

## Elections

## Environment

## Family Law

Among the other tobacco proposals, **SJ 1**, which has passed the Senate, urges Congress and the President to enact legislation that would prohibit the federal government from recouping part of the settlement funds related to Medicaid. Under the tobacco agreement, the federal government has the right to recoup 50% of the states' settlement payments for the federal government's share of Medicaid expenditures.

## Health

Related bills that have had committee hearings in the first chamber are:

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- **SB 257** which would create a task force to examine the various options available to the State for appropriately using revenues it will receive from the tobacco settlement, to hold statewide public hearings to solicit public opinion, and to study the actual impact on State and local programs that would benefit from a portion of the revenues received;
- **SB 334** which would create a Cigarette Restitution Fund as a non-lapsing fund with expenditures made by appropriation in the State budget; and
- **SB 394** which would set up a Tobacco Control Foundation that would receive 1/3 of the tobacco settlement payment to develop a statewide tobacco control program to decrease smoking and fund anti-smoking campaigns and programs. (The companion bill, **HB 596**, is scheduled for a hearing next week.)

Other proposals, yet to be heard, are:

- **SB 639** which would award \$10 million annually, from 2001 to 2026, to the University of Maryland Medical System Greenebaum Center for cancer research and treatment;
- **SB 685/ HB 903** which would appropriate funds to the Tri-County Council for Southern Maryland to implement the Southern Maryland Strategy-Action Plan for Agriculture;
- **HB 751** which would create a Cigarette Restitution Fund, with the legislature making annual recommendations on how to spend the funds to reduce the use of tobacco products, find alternate crop uses for farmland, establish education campaigns and programs, and benefit health care; and
- **SB 322** and **SB 396** which would fund the cost of converting existing vending machines to use tokens or similar mechanisms to prevent minors from purchasing cigarettes.

The Senate heard testimony this week on **SB 342**, legislation that would recouple the county income tax with the State income tax. The 1997 State income tax cut and the 1998 accelerated tax reduction legislation decoupled the county income tax from the State income tax, assuring that the counties would not lose revenue resulting from the State income tax reduction. Under the decoupling, taxpayers must calculate State income tax and county income tax separately. Provisions of **SB 342** would eliminate the separate calculations and would allow the State income tax reductions to flow through to the counties. Since county income taxes are based on a percentage of the State income tax owed, counties would lose revenue under the bill. Seven counties at or near the maximum allowable piggyback rate of 60% could not increase rates enough to compensate for the reduced revenue. Other counties could increase the piggy-back tax to make up for the total lost revenue.

**CIVIL RIGHTS**

This week a Senate committee heard testimony on **SB 138** that would expand the State's law to prohibit discrimination based on an individual's sexual orientation. Currently, it is unlawful to discriminate because of race, creed, sex, age, color, national origin, marital status, or physical or mental handicap. This proposal has been introduced in previous sessions, but has continued to be rejected in committee. The companion bill, **HB 315**, is slated for a hearing next month in the House.

**COURTS**

The Clients' Security Trust Fund was created in 1965 to repay clients for losses incurred from attorney negligence. Attorneys are currently assessed an annual fee of \$20 for the Fund. The highest total of claims in the Fund's history last year has precipitated a concern about a possible shortfall in the near future. Legislation has been introduced to allow the Court of Appeals to increase the annual charge if the Fund's trustees determine more is needed in order to pay claims. **SB 687/ HB 1105** would allow an assessment of up to \$35, and **HB 804** would allow a maximum assessment of \$100.

The Glendening Administration is proposing that the State take over more of the circuit court

operating costs that are currently funded by counties. The State currently pays for costs of judges and clerks, some judicial masters, and the development of a family division in five jurisdictions. Starting in fiscal 2000, the State will pay for circuit court interpreter services and the first \$5 of per diem juror expenses. **HB 181/SB 133** would require the State to increase its per diem pay to jurors to \$15 starting in fiscal 2001, which is what most counties currently pay. The bills would also require State funding of circuit court personnel who handle jury management and assignment, and circuit court masters and their support staffs beginning in fiscal 2001. The counties would be required to spend their court savings on law enforcement or the state's attorney's office.

## **CRIMINAL MATTERS AND CORRECTIONS**

The current misdemeanor of intentionally mutilating, torturing, or cruelly beating or killing an animal, arranging or participating in a dogfight or cockfight, or intentionally harming or killing an animal used in law enforcement would become the felony of aggravated cruelty to animals under **HB 711**. The penalty would be increased to a maximum fine of \$5,000 and up to three years in jail. Violators would also be required to receive and pay for psychological counseling.

Several bills have been introduced concerning disclosure of information about registered sexual offenders, child sexual offenders, sexually violent offenders, sexually violent predators, and offenders who have committed specific crimes against children. Hearings have been held on **SB 610/HB 229** to authorize State law enforcement agencies to post on the Internet the registered offenders' names, offenses, and other personal information. There are currently approximately 500 names on the registry. **HB 720** would make retroactive Maryland's registration law to include anyone still in jail who committed a sexual offense before October 1995. Currently, only offenders who committed such a crime after October 1995 must register.

**SB 563**, heard in committee last week, would require law enforcement agencies to send notification of registration statements to community associations in the county where the offender will reside. A notified community association or its members could then publish or circulate that information and would be immune from liability for damages arising out of any action relating to sex offender registration provisions. **HB 834/SB 635**, while not requiring the automatic notification provided in **SB 563**, would provide community associations and their members immunity from civil liability for damages arising from the distribution of, or failure to distribute, information contained in a sex offender registration statement.

**SB 319**, which would make it a felony for a person, including a health care professional, to aid or contribute to a suicide, passed a preliminary Senate floor vote.

## **EDUCATION**

Several bills aimed at reducing class size in schools were heard this week. **HB 187/SB 137**, the Maryland Learning Success Program, would provide grants to local boards of education to reduce class size to 20 or fewer students in first and second grade reading classes and in seventh grade math classes. **HB 962**, the Class Size Reduction Program, would limit class size in kindergarten through grade three to 18 students. This bill asks each county to submit a class size reduction plan for approval by the Maryland State Department of Education. If the plan is approved, counties would receive \$500 for each student affected by the reduction and \$40,000 for each new teacher hired.

Two other education bills have been defeated in committee: **HB 24** would have required county boards of education to establish written policies for the promotion of students to the next grade level; and **HB 52** would have permitted a child to attend a public school in the county where the child is domiciled with an individual acting as the parent in the absence of a parent or guardian.

## ELECTIONS

**HB 175**, which would repeal the authority for two or more candidates to form a political committee known as a "slate," has had a committee hearing. A slate is a political committee formed by two or more candidates who come together to conduct and pay for joint campaign activities and who, as members of a slate, can transfer campaign funds among themselves.

**HB 25** has received an unfavorable House committee vote. The bill would have permitted a felon to register to vote, regardless of the number of convictions, once the sentence and probation had been completed. Currently, a felon with only one conviction may register to vote once the sentence and probation have been completed.

## ENVIRONMENT

A hearing was held last week on **SB 208** which would give counties the authority to regulate the location of sludge storage tanks. The House will hear the companion bill, **HB 165**, on March 3.

**SB 325**, which has also been heard in committee, would expand the definition of the Deep Trough, an area of the Chesapeake Bay where dumping of dredged material is prohibited, to include the area known as Site 104. The companion bill, **HB 756**, is scheduled for a hearing on March 16.

## FAMILY LAW

Next week the public will have an opportunity to testify on two bills that would alter the way Maryland's cash assistance is calculated for working people. **HB 914/SB 445** would allow new wage earners who are on welfare to continue receiving cash assistance, in a reduced amount, until their monthly earnings total \$1,140 for a family of three, instead of the current \$520 a month. Once a person takes a job, the State counts 74 cents of every dollar earned against a family's cash assistance. Under **HB 914/SB 445**, the first \$170 of a family's income would be disregarded and only 40 cents of each remaining dollar would be counted.

## HEALTH

**HB 296**, scheduled for a hearing next week, would extend, from July 1, 1999 to July 1, 2000, the date before which the Department of Health and Mental Hygiene is prohibited from imposing sanctions on small assisted living programs (that provide services to 15 or fewer individuals) unless a resident's physical or emotional health has been harmed or is jeopardized. **HB 70**, which would require the Department of Health and Mental Hygiene to conduct an annual inspection of hospice facilities to ensure conformance with health care regulations, passed the House this week.

A March hearing is scheduled for **HB 909** which would authorize a hospital that has transferred outpatient oncology, diagnostic, rehabilitative, and digestive disease services to an off-site facility due to zoning restrictions, to elect to have their services subject to the Health Services Cost Review Commission rate regulations. **HB 953**, also slated for a hearing in March, would exempt open heart surgery operations from a "certificate of need" requirement or from the demonstration of the existence of community need requirement.

## HOUSING

Four bills (**HB 288**, **HB 896**, and **HB 1009/SB 517**) seek to establish a State Board of Home Inspectors. **HB 288** and **HB 896** would require an individual to be licensed before engaging in the

business of home inspections in the State. **HB 896** also stipulates, among other things, that an applicant who has already been engaged in the business of home inspections for a least one year and has conducted at least 100 home inspections need not be licensed as an associate home inspector in order to be licensed as a home inspector. **HB 1009/SB 517** would require home inspectors to be registered by the Board before the individual may provide home inspection services. The first committee hearings on all of these measures will be completed by mid-March.

**HB 86** received an unfavorable committee report this week. This bill would have required seller's agents to notify the buyer of any governmental plans, such as road construction or other improvements, that may affect the home.

## **INSURANCE**

Companion joint resolutions (**SJ 7/HJ 8**) request the U.S. Congress to amend the federal Employment Retirement Income Security Act (ERISA) to permit State regulation of self-funded employer-based health plans. Currently, these plans do not need to comply with State mandated health insurance provisions as ERISA prohibits State regulation of self-insured health plans.

## **SPORTS AND GAMING**

**SB 566** would lift the ban on Sunday hunting of forest game birds and mammals. The bill contains two provisions: private property owners would not be forced to open their land to Sunday hunting, but if they chose to do so, they would be required to register with the Department of Natural Resources (DNR); and DNR would have to determine if Sunday hunting on public land would be consistent with the prior use of the land. Some public lands would not be appropriate for Sunday hunting and DNR could keep those lands closed.

## **STATE GOVERNMENT**

**SB 170**, which would establish a new Department of Veterans Affairs, has been reported favorably to the Senate floor. The bill would consolidate three existing commissions, the Maryland Veterans Commission, the Maryland Veterans Home Commission, and the War Memorial Commission, into one cabinet-level department. The companion bill, **HB 183**, is still in committee. **HB 403**, concerning access to pension and retirement records of retired elected or appointed officials of a political subdivision, has had a hearing. **HB 179**, the State employees' collective bargaining bill, has had a committee hearing.

## **TRANSPORTATION**

Measures to create an income tax credit for companies that provide commuting benefits to their employees are being considered. Under **SB 390/HB 636**, the State would provide a tax credit of up to 50% of a business' cost to reimburse employee expenses for mass transit, although the amount a company could recover would be limited to \$30 per employee per month. The credit could be carried forward for ten years after the taxable year in which the expenses are incurred. Eligible employer-provided commuter expenses are those that cover costs for multiple-seating vehicle transportation, car pooling, and mass transit transportation. Currently, Montgomery County, the Maryland Transit Administration (MTA) and the Washington Metropolitan Transit Authority (WMATA) administer programs that reduce employee transit costs.