



The LEGISLATIVE WRAP-UP

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March 1 - 5, 1999

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NEXT WEEK

[Budget and Fiscal Matters](#)

Monday, March 8 is the 55th day of the 1999 session, the final date to introduce bills without suspension of the Rules.

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BUDGET AND FISCAL MATTERS

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Several tobacco tax proposals from the House had public hearings this week. **HB 190**, the Governor's bill, proposes to increase the cigarette tax rate from \$.36 to \$1.36 per pack, phased in over a two-year period, and to add a tax to the wholesale price of other tobacco products, such as cigars, snuff, and chewing tobacco. The proposed fiscal 2000 State budget includes revenues from the first year increase of \$.50, which are to be dedicated to the State general and reserve funds. Beginning in fiscal 2001, the revenues from the second \$.50 increase are earmarked for school construction projects. **SB 143**, the companion bill, is pending in a Senate committee.

[Elderly Persons](#)

Another measure would also increase the cigarette tax to \$1.36 per pack, while reducing State income taxes. Under **HB 55**, a Maryland resident could subtract a portion of Federal Insurance Contribution Act and Federal Self-Employment Income (payroll) taxes, up to a maximum of \$2,700, from federal adjusted gross income, thus reducing income subject to the State income tax.

[Family Law](#)

HB 941 proposes to use part of the tobacco tax revenue to provide money for a Maryland Defibrillation Fund established under **SB 143/HB 190**. The State Police would administer the Fund to purchase and maintain external defibrillators for State and local law enforcement, fire, rescue, and emergency medical services units. **HB 941**, if enacted, would be effective only if **HB 190** or its companion **SB 143** also became law.

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This week, Senate and House committees took testimony on utility tax reform legislation that is linked to the passage of legislation to deregulate the electric utility industry in Maryland. If no changes are made in the current tax structure and deregulation does take place, the State would see a significant reduction in gross receipts taxes and competing utility providers would have differing tax obligations.

Major provisions of the utility tax reform proposals (**SB 344/HB 366** and **SB 660/HB 747**), include:

- Replacing the existing 2% gross receipts tax with a combination of taxes on distribution companies, i.e., imposition of a 2% gross receipts tax on transmission and distribution, not generation, of electricity and imposition of a distribution tax based on kilowatt hours delivered, with a special cap for ultra-large consumers (0.065 cents/kwh - **SB 344/HB 366**, .137 cents/kwh - **SB 660/HB 747**);
- Imposing the 7% net corporate income tax on all income of electric utilities;
- Providing relief from 100% assessment of real property used in generation by means of a credit against the corporate income tax;
- Providing partial relief for property taxes imposed on personal property used in generation of electricity; and

- Providing special credits to Allegheny Power and Conectiv.

Other than the different distribution tax rates as noted, the primary difference between the two sets of bills involves the treatment of a personal property tax relief for utility companies. **SB 344/HB 366** provide a 60% exemption on personal property tax assessment with grants to counties to offset a portion of their lost revenue. The counties and State each would lose nearly \$15 million in revenue. **SB 660/HB 747** allow income tax credits of 60% against utilities' personal property tax paid. These bills protect the State and counties against lost tax revenue.

COURTS

As one part of the effort to streamline the State's criminal justice procedures, **HB 889/SB 335** would require the Office of the Public Defender to represent an eligible indigent defendant at bail review hearings, usually 24 hours after arrest. Most indigent defendants do not meet their assigned counsel until the initial trial date, which is commonly 30 days after arrest. The legislation, to be heard in committee next week, aims to eliminate unnecessary pretrial detention and permit identification of cases that are candidates for early resolution, thus reducing detention center overcrowding as well as court congestion.

HB 623, scheduled for a hearing next week, proposes to close all juvenile court hearings, reversing a two-year-old law that allows juvenile cases involving offenses that would be felonies if committed by adults to be open to the public. The present law gives court masters the right to close a hearing for a compelling reason.

CRIMINAL MATTERS AND CORRECTIONS

After an emotional floor debate, the Senate passed **SB 319**, a ban on assisted suicide that would make it a felony for a person, including a health care professional, to knowingly aid or contribute to a suicide.

A proposal authorizing the Department of Public Safety and Correctional Services to post to the Internet the names, offenses, and other personal information of registered offenders convicted of sex offenses and certain other offenses against children (**HB 229**) has passed a preliminary House floor vote. The companion, **SB 610**, has passed a preliminary floor vote in the Senate. **SB 563**, which would require law enforcement agencies to notify community associations where a registered offender will reside, failed in committee.

The Senate has passed:

- **SB 540** to add a first degree murder that occurred during the commission of certain drug crimes as an aggravating circumstance to be considered in death sentence determinations;
- **SB 312** to require the Maryland Parole Commission to give public notice when it recommends to the Governor that an inmate be given a pardon, commutation, or any act of clemency and to make it a gubernatorial responsibility to notify the General Assembly and the public before commuting a death sentence, pardoning an inmate, or remitting any part of a sentence; and
- **SB 443** to toughen security guard certification requirements and to require periodic certification renewal. (The companion, **HB 381**, has passed the House.)

HB 692/SB 411, both scheduled for hearings next week, would require juvenile justice officials to refer for mental health and substance abuse screening all alleged juvenile offenders who, if determined to have problems, would undergo assessments. Juvenile justice intake officers would be required to take these assessments into account when determining the best interests of the offenders in deciding what actions to take.

Selling or giving a laser pointer to a minor would be a misdemeanor under **SB 568**, which would also prohibit pointing a laser at a person or motor vehicle or in public, except for educational purposes. The maximum penalty for a violation would be a \$1,000 fine.

Several bills to protect children from guns are under committee consideration. **SB 231** would make it a felony to cause the death of a child as a result of gross negligence, punishable by up to ten years in jail and a \$5,000 fine. **HB 707** and **SB 210** would increase the penalty for leaving a firearm where a child could gain access to it, from up to a \$1,000 fine to imprisonment for up to three years and a fine of up to \$5,000. **HB 267** would require handguns sold in the State to satisfy State standards for child resistance. The standards must be designed so that a child under the age of six would find it difficult to fire the gun and must require an attached safety device.

ELDERLY PERSONS

SB 151 would require the Department of Aging to provide senior citizen activities centers with access to the Internet and electronic mail, a toll-free help line, and computer training.

FAMILY LAW

Among measures to provide relief to victims of domestic violence, **HB 231**, which has passed the House, would prohibit District Court commissioners from releasing accused violators of ex parte or protective orders from jail before a trial. A judge, however, could allow pretrial release under conditions that would assure no risk of flight or danger to another. **HB 738** would allow a judge to include in a temporary ex parte or protective order a provision ordering an accused abuser to stay away from places where the alleged victim's child is receiving care.

Legislators have heard testimony on several bills dealing with child abuse. **HB 958/SB 464** would codify the Governor's Council on Child Abuse and Neglect and would expand its duties, as well as the duties of the State Citizens Review Board for Children, to include evaluating how well government agencies are discharging their child protection responsibilities. The bills would also establish State and local child fatality review teams to review unexpected child deaths. **HB 778** and **HB 724** would criminalize the failure of educators, health practitioners, police officers, and human service workers to report suspected child abuse, making it a misdemeanor. **HB 121** would require a local social services department that receives a report of suspected child abuse to immediately notify the appropriate law enforcement agency. Jointly, the two agencies must ensure a thorough investigation of each report.

HEALTH

Companion bills requiring universal newborn hearing screenings are making their way through both chambers. **HB 884/SB 624** would alter the Program for Hearing-Impaired Infants to provide a hearing screening for children at birth rather than sometime during infancy (up to one year of age). Managed care organizations would be required to provide coverage for the screening.

HB 350 would require food service facilities, on the request of a customer, to provide a list of additives, such as eggs, fish, milk, peanuts, other nuts, soy, and wheat, and of allergens, such as monosodium glutamate and sulfites, that are used in the preparation of any item on the menu.

In an effort to provide an alternative to institutionalized nursing facilities for up to 7,500 individuals who meet federal and State medical assistance eligibility criteria, **SB 593** would require the State to apply to include assisted living, personal care, respite care, and other services in the home and community based services waiver program under the federal Social Security Act.

HOUSING

HB 108, which would require the installation of carbon monoxide detectors in new residential units heated by natural gas, passed the House this week.

The Maryland Home Builders Registration Act (**SB 575/HB 967**) would require new home builders to register with a new Office of Home Builder Registration and to carry liability insurance. A consumer complaint resolution procedure would also be established.

SB 677/HB 897 would mandate a semiannual payment of property taxes on owner-occupied residential property.

INSURANCE

The House has given preliminary approval to **HB 182**, the Patients' Bill of Rights Act of 1999. In general, the bill would establish the Maryland Insurance Administration as the single point of entry for consumers to access health insurance and health care delivery information as it relates to health insurance. It would also require insurers, nonprofit health service plans, and HMOs to establish and permit, in certain circumstances, a patient's direct access to specialists, including standing referrals and access to specialists outside the carrier's provider panel. Carriers with prescription drug coverage would be required to cover a prescription drug not on the carrier's formulary in specified situations. Deleted from the original bill were mandated length-of-stay provisions for 48-hour hospitalization following mastectomy or testicular cancer surgery.

A variety of health insurance bills have had hearings:

- **SB 596** proposes uniform statewide premiums for Medicare HMO risk contracts. Currently, rural senior citizen enrollees in the State pay an additional \$75 per month for coverage due to the limited availability of managed care companies operating in these areas. **HB 626** is a similar proposal;
- **SB 261** would establish the liability of a health insurer or HMO for damages that an enrollee suffers as a result of the carrier's failure to exercise ordinary care. Currently, only physicians can be sued for mal-practice, not the managed care companies which may authorize, or refuse to authorize, care;
- **SB 618/HB 767** would prevent health insurers from restricting the right of customers to call 911 for health emergencies; and
- **SB 579** would develop a plan to provide universal health care coverage to eligible State residents. **HB 476** is similar in purpose.

Two bills requiring new mandated health insurance benefits have passed their respective chambers. **HB 46** would mandate health insurance coverage for annual chlamydia screening for specified high-risk individuals. Maryland currently ranks fifth nationally in reported cases of this sexually transmitted disease. Under **SB 181**, prostheses for women who have undergone a mastectomy would be provided.

SPORTS AND GAMING

SB 104, which has passed the Senate, would remove the current limit of two to four games on the number of lotteries that must be conducted for the benefit of the Maryland Stadium Authority. By repealing the current sports theme requirement for these lotteries, this bill would also allow the State Lottery Agency to offer other lottery games that draw more customers.

STATE GOVERNMENT

The Senate has passed **SB 170**, which would create a new Department of Veterans Affairs, and **HJ 1**, which would declare every March 14 as "Louis L. Goldstein Day," is ready for the Governor's signature.

TRANSPORTATION

Motorcycle enthusiasts made their annual trek to Annapolis in support of **SB 239** to repeal the motorcycle helmet law for individuals who are at least 18 years old. Current law requires anyone riding or operating a motorcycle to wear a helmet.

Since the U.S. Congress loosened highway safety requirements several years ago, Maryland no longer risks forfeiting federal funds if it does not require motorcyclists to wear helmets. However, proponents say that since the Maryland law took effect seven years ago, motorcycle deaths and health care and rehabilitation costs have all dropped.

A bill is being considered that would prohibit, for 180 days after a driver's license is issued, a driver under the age of 18 from transporting anyone under the age of 18 unless a parent or person over the age of 21 is a passenger in the car. An exemption for transporting underaged family members is included. **SB 597** would make the restriction a secondary offense.