



The LEGISLATIVE WRAP-UP

Issue: 99-14

April, 1999 - Sine Die

[Sine Die](#)

SINE DIE

[Agriculture](#)

Following an historic Sunday evening session for the House of Delegates, the 1999 regular session of the General Assembly of Maryland ended as scheduled at midnight on Monday, April 12. In this session, the first of the four-year term, 2,645 bill requests were made, and out of that number, 2,049 were introduced. The House introduced 1,219 bills, the Senate introduced 795, and there were 35 joint resolutions. By the close of business on Monday night, a total of 830 bills and 13 joint resolutions had passed. The House passed 497 bills and the Senate passed 333. Twelve joint resolutions were passed. In comparison with the 1998 Session, while there were about 200 fewer bill introduced in the 1999 Session, the number of passed bills in 1999 was only 34 less in the House and 25 less in the Senate.

[Alcoholic Beverages](#)

[Budget and Fiscal Matters](#)

[Civil Rights](#)

[Consumer Affairs](#)

[Courts](#)

[Criminal Matters & Corrections](#)

The passed legislation, as required under Article III, Section 30 of the Maryland Constitution, must be presented to the Governor for approval no later than 20 days after adjournment (May 2 this year) and the Governor is required to sign bills within a maximum of 30 days after presentment if he approves the bills (June 1 this year). Four gubernatorial bill signings have been scheduled. The first was held on April 13 and the others are set for April 27, May 13, and May 27.

[Economic Matters](#)

AGRICULTURE

State assistance in funding private water pollution control projects through the Maryland Agricultural Water Quality Cost Share Program has been increased from \$50,000 to \$75,000 per project, with the passage of **HB 67**, which has been signed into law as **Chapter 62**.

[Education](#)

[Elderly](#)

ALCOHOLIC BEVERAGES

[Elections](#)

SB 379 and **HB 584**, which passed, will require harsher penalties for convictions of a second or subsequent violation of driving while under the influence of drugs and/or alcohol.

[Environmental Matters](#)

Several other bills to increase penalties and fines and to lower drunk driving blood alcohol limits failed this Session (**HB 543**, **HB 777**, **HB 542**, **SB 255**, and **SB 127**). **HB 487** also failed that would have required the Motor Vehicle Administration to issue a special "DWI" license plate for a vehicle owned by an individual who has been convicted of an alcohol and/or drug-related driving offense.

[Family Law](#)

[Health](#)

As passed, **HB 278** will make it a felony for anyone to ship, cause to be shipped, or deliver alcoholic beverages in the State. Although current law already prohibits the direct shipment of alcohol to consumers, the crime is only a misdemeanor.

[Housing](#)

[Insurance](#)

BUDGET AND FISCAL MATTERS

[Legislative Matters](#)

On last day of the session, the General Assembly adopted the State Budget, **HB 120**, appropriating \$17.6 billion for fiscal 2000 which represents an increase of \$708 million over fiscal 1999. Figures include \$8.9 billion in general funds, \$4.7 billion in special and higher education funds, and \$3.9 billion in federal funds. The General Assembly made \$256.2 million in general fund cuts to the

[Sports and Gaming](#)

[State Government](#)

[Transportation](#)

[Utilities](#)

Governor's proposed budget. The Budget Bill does not require the governor's signature to take effect. The General Assembly also placed the anticipated \$54 million first installment of the tobacco settlement in the Cigarette Restitution Fund established by **SB 334/HB 751**.

Following a filibuster in the Senate, the General Assembly approved a \$.30 cigarette tax increase that will bring the tax on a pack of cigarettes up to \$.66, beginning in July. Other provisions of **HB 190** add:

a new 15% tax on the wholesale price of other tobacco products, such as cigars and smokeless tobacco, beginning July 2000;

a contingency that the law will take effect upon enactment of Cigarette Restitution Fund legislation, **SB 334** or **HB 751**; and

a requirement that the Governor include \$21 million in the budget each year for activities aimed at reducing tobacco use.

The General Assembly did pass legislation (**SB 334** and **HB 751**) which the Governor must sign in order to establish a Cigarette Restitution Fund with Maryland's share of the nationwide tobacco litigation settlement, anticipated to be \$175 million in fiscal 2000, \$224 million in fiscal 2001, \$142 million in fiscal 2002, and \$138 million in fiscal 2003. Before any of the money is spent, the annual budget must include the lesser of \$100 million or 90% of the funds estimated to be available in that fiscal year.

SB 334 and **HB 751** also require that at least 50% of the money appropriated each year from the fund be used for specific purposes such as: reduction of the use of tobacco products by minors; implementation of the Southern Maryland Regional Strategy-Action Plan for Agriculture, with an emphasis on alternate crop uses for farmland now used for tobacco; smoking cessation programs; and prevention treatment, and research concerning cancer, heart disease, lung disease, tobacco use, and tobacco control.

Among the other tobacco proposals adopted, **SJ 1** urges Congress and the President to enact legislation to 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.

Legislation requiring homeowners to pay real property taxes on principal residences in semiannual installments passed. **SB 677/HB 897** authorizes counties to charge a service fee at the time the second installment is due (December 31), although property owners could pay both installments on or before the first due date (September 30) and avoid the service fee. The legislation, in effect, would reduce closing costs for home buyers since the tax due at settlement would be for six months rather than for a year.

The General Assembly also passed legislation to allow county tax collectors, rather than the clerks of the courts, to collect recordation taxes beginning in fiscal 2000. Under **SB 5**, counties that decide to use their county tax collector will avoid the clerk's collection fees after fiscal 2000.

HB 1149, as approved, establishes a new method for computing county income taxes with the goal of simplifying local income tax calculations for the taxpayer. County income tax rates would be based on the taxable income of the taxpayer, instead of using the current piggyback tax rate which is based on State income taxes owed. The bill also sets maximum county income tax rates for 1999 through 2002.

Tax relief legislation, **SB 229** and **HB 177**, for restitution and other payments made to Holocaust victims or their heirs was also approved. **HB 177** has been signed by the Governor as **Chapter 117**.

As passed, **SB 175/HB 679** will increase State aid for police protection to qualifying municipalities by increasing the allocation from \$1,200 to \$1,800 for each municipal sworn officer employed on a full-time basis, beginning in July 2000.

Failed legislation includes:

HB 392, to apply property tax rates to 100% of the value of real property, rather than to 40% as is currently the case for most real property, and reduce property tax rates so that bills would not have increased due to the proposed change;

HB 298, to provide a sales tax-free week in August for certain clothing and one next January to be free of sales and use tax on hotel rooms under \$100; and

HB 564, to provide a tax break to parents of public and private school K-12 students for education-related expenses incurred outside the regular school day or school year.

The capital budget program, a combination of the capital budget bill and local bond bills, meets the debt limit of \$445 million recommended by the Capital Debt Affordability Committee. After a conference committee resolved the differences, the Consolidated Capital Bond Loan of 1999, **HB 143**, as passed, reduced the Governor's request from \$426 million to \$419.8 million. The bill authorizes nearly \$49.9 million for the construction and renovation of State office buildings, including the Senate office building in Annapolis and three court buildings, and for asbestos and CFC (chlorofluorocarbon) abatement projects. Health and social service projects also received funding, including various community mental health facilities (\$5.6 million), diagnostic and treatment facilities at the University of Maryland Medical School (\$10 million), private hospitals (\$3.8 million), and The Johns Hopkins University Cancer Research Center (\$5 million). Most of the \$80 million designated for higher education projects will be spent on dormitories, science buildings, engineering buildings, libraries, business programs, a fine arts center, and classroom buildings. Another \$22.5 million is authorized for community colleges and \$6 million for independent colleges and universities.

The capital budget bill also includes authorizations for:

- \$90 million, plus \$165 million in Paygo funds, for public school construction;
- \$13.8 million, plus \$10.6 million in Paygo funds, to the Rural Legacy Program;
- \$12.2 million for nutrient removal to improve water quality;
- \$33.8 million to State correctional facilities;
- \$11.7 million to local jails;
- \$2 million to the State Police Crime Laboratory;
- \$17.4 million for housing and community development programs;
- \$15.5 million to the African-American Museum;
- \$1 million to the Baltimore Children's Museum;
- \$5 million for the Silver Spring Redevelopment project; and
- \$1 million for Glen Echo Park improvement.

Legislative projects account for the remaining \$19 million of the capital budget program. Among the 71 bond bills approved are authorizations for Maryland Science Center, Maryland School for the Blind, U.S.S. Constellation, Carroll County Agricultural Center, Frederick Arts Center, Technology Training Center, Avalon Theater, Lions Camp Merrick, Kent Family Center, Old Washington School, and Denton Armory Building.

CIVIL RIGHTS

With no Senate committee action by the end of the 90-day session, **SB 138** and **HB 315**, which were

part of the Governor's initiatives, did not receive full legislative approval. The bills would have generally prohibited discrimination based on sexual orientation with regard to employment, public accommodations and housing.

CONSUMER AFFAIRS

SB 64, a bill that would have required heating, ventilation, air conditioning and refrigeration companies to be certified in order to operate in Maryland, failed in a House committee.

No action was taken on **SB 496** following its initial hearing in the Senate. The bill would have established a database of residential phone subscribers who object to receiving telephone solicitations. The bill also would have required telemarketers to purchase the database and prohibited them from soliciting to the phone subscribers listed.

COURTS

The General Assembly passed **HB 8**, to limit the civil liability of businesses that take reasonable steps to prevent computer failure in year 2000 readiness litigation. The immunity provisions would not apply to product liability actions against a manufacturer for wrongful death or personal injury or to claims for workers' compensation benefits. Similar legislation to limit liability of government agencies, officials, and employees, except in certain actions for wrongful death, survival or personal injury, and workers' compensation benefits claims (**HB 901** and **SB 232**) also passed.

HB 214 passed, doubling to \$5,000 the cap on damages a pet owner can collect in court because of pet injury or death.

Unsuccessful proposals include:

SB 133/HB 181, that would have allowed the State to take over the costs of circuit courts and increase the State per diem for jurors;

SB 335/HB 889, that would have required the public defender's office to represent indigent defendants at their bail review hearings;

HB 551, that would have changed Maryland's contributory negligence standard to a more plaintiff-friendly comparative negligence standard for awarding damages in personal injury or property damage cases;

HB 481, that would have granted defendants qualified immunity from SLAPP suits (Strategic Lawsuits Against Public Participation) and would have allowed defendants to file a counterclaim and move to dismiss; and

HB 1060, that would have removed the limitation on noneconomic damages in civil actions concerning exposure to a disease-causing substance, such as asbestos, in the workplace that occurred prior to July 1, 1986.

CRIMINAL MATTERS AND CORRECTIONS

HB 692 passed to require juvenile justice officials to discuss with alleged juvenile offenders and their parents or guardians information regarding referral of the child by the parents for a mental health and substance abuse screening, and, if the screening shows that the juvenile has problems, for a comprehensive mental health or substance abuse assessment.

SB 443/HB 381, also passed, toughen security guard certification requirements and require periodic

certification renewal.

New Crimes and Enhanced Penalties

Bills creating new crimes include:

SB 319/HB 496, to make it a felony for a person, including a health care provider, to knowingly aid or contribute to a suicide, with a maximum penalty of a \$10,000 fine and one year in jail;

SB 244/HB 334, to make it a misdemeanor to fraudulently obtain, use, sell, or transfer another individual's personal identifying information without the individual's consent, or to assume the identity of another person with fraudulent intent or to avoid criminal prosecution;

SB 689/HB 95, to make it a misdemeanor to set up a camera to surreptitiously observe people in their private residences under certain conditions, or to perform visual surveillance on a person in a rest room, bedroom, or dressing room in a place of public use or accommodation;

SB 568, to make it a misdemeanor to use a laser pointer to illuminate another person in a public place in such a way that harasses or endangers the other person, punishable by a fine not greater than \$500;

SB 377/HB 232, to outlaw the "corrections cocktail," a concoction of body fluids maliciously thrown at correctional officers by inmates; and

HB 711, to make it a misdemeanor to intentionally harm, disable, or kill an animal used for law enforcement, except in the case of self-defense.

Failed proposals include:

SB 139/HB 969 and **SB 184**, that would have expanded Maryland's hate crime laws to prohibit crimes against persons or their property because of their gender or sexual orientation;

HB 964, that would have strengthened current law protecting access to women's health clinics;

SB 180/HB 103, that would have prohibited a person from administering a drug to another person without that person's knowledge with the intent to commit a violent crime or sexual offense against the person; and

SB 111, that would have allowed an increase of 50% in the maximum sentence of criminals who commit a crime of violence against an elderly person.

Guns

SB 38 passed, to exempt full-time assistant sheriffs and part-time sheriffs' deputies from State handgun permit requirements for wearing, carrying, or transporting handguns when they are on active duty, as long as the handgun is authorized, official equipment.

Failed legislation includes:

HB 267, that would have required handguns sold in the State to satisfy State standards for child resistance such that a child of six would find it difficult to fire the gun and would have required an attached safety device;

SB 210 and **HB 707**, that would have changed from a misdemeanor to a felony the crime of leaving a firearm where a child could gain access to it;

SB 231, that would have made it a felony to cause the death of a child as a result of gross negligence; and

SB 673, that would have made the possession of a firearm by a person convicted of a crime of violence a felony rather than a misdemeanor.

Law Enforcement and Corrections

Successful bills include:

HB 124, now **Chapter 69**, to allow the Parole Commission to place special conditions on the release of prisoners who have served their sentence, minus any earned diminution credits, rather than limiting only to parolees the imposition of conditions, such as staying away from victims and participating in drug treatment programs;

HB 1129, to expand the list of criminals required to provide a DNA sample to the State Police to those convicted of committing or attempting to commit murder, robbery, or first degree assault;

SB 39, to keep search warrants under seal for 30 days while police investigate child pornography cases; and

SB 610/HB 229, to allow the Department of Public Safety and Correctional Services to post on the Internet the names, offenses, and other personal information of registered Maryland offenders convicted of sex offenses and certain other offenses against children.

Failed measures include:

HB 720, that would have made retroactive Maryland's sex offender registration law to include anyone still in jail who committed a sexual offense before October 1995;

SB 563, that would have required law enforcement agencies to notify community associations where a registered offender will reside;

SB 635/HB 834, that would have provided 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; and

SB 312, that would have required the 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 would have made 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.

ECONOMIC MATTERS

Major economic development legislation that passed during the 1999 session offers financial incentives aimed at making Maryland's business climate more inviting and lucrative. **HB 4** and **HB 5**, known as the "One Maryland" bills, target the State's most economically distressed counties which have, measured against average statewide statistics, high unemployment rates or low per capita personal income. Currently, Allegany, Caroline, Garrett, Somerset, Worcester, and Dorchester Counties, as well as Baltimore City meet this threshold. **HB 4** provides a tax credit program for qualified business entities that establish or expand their facilities in these jurisdictions. The businesses must meet specified criteria including creating at least 25 new full-time jobs and investing at least \$500,000 in eligible project costs. A qualified business entity may also claim a tax credit for eligible start-up costs such as an expenditures related to moving from outside the State to one of the distressed counties. **HB 5** creates a Smart Growth Economic Development Infrastructure

Fund to provide financial assistance to these qualified distressed counties for economic development projects including infrastructure costs. The counties are required to have a State approved strategic plan for economic development, developed in consultation with the municipal corporations within the county, as well as meet additional criteria.

Other measures designed to foster business development in Maryland establish two funds within the Department of Business and Economic Development (DBED). The Maryland Competitive Advantage Financing Fund (**SB 136/HB 185**) will provide financial assistance for the development and expansion of small businesses which are defined in the bills as having net revenues of less than \$1 million per year and fewer than 100 full-time employees. The Maryland Economic Development Assistance Authority and Fund (**SB 134/HB 188**) will provide loans with favorable terms to businesses that are engaged in eligible industry sectors for projects with strong potential for expanding or retaining employment opportunities. These bills also contain provisions establishing an interim study panel to review consolidation of DBED's several financing funds and models and to recommend legislation, if necessary, for consideration by the legislature in 2000.

Several additional economic development bills target specific areas of the State. These included **SB 779/HB 1148** which will provide tax credits for new and expanded businesses that meet specified criteria for the creation and retention of jobs and square footage requirements and were a part of the incentives offered to the Marriott Corporation to retain its headquarters in Montgomery County. **HB 559** will provide an exemption from Baltimore City property tax for new construction of commercial and multifamily residential property under certain conditions including a payment in lieu of taxes (PILOT) agreement by the owners.

The General Assembly also passed **SB 169** to provide increased protections for corporations and real estate investment trusts against unsolicited takeovers.

EDUCATION

SB 682 passed in the last hour of the session without the controversial provision related to allowing nonfaculty employees of the University System of Maryland to participate in collective bargaining. As passed, **SB 682** will revise the coordination, governance, and funding of the University System of Maryland, grant more autonomy to State colleges and universities, and bolster the University of Maryland, College Park's status as the State's flagship school.

Other education bills passing the General Assembly include:

SB 131/HB 189, to establish the Maryland Teacher Scholarship Program and the Maryland Hope Scholarship Program;

HB 9, the Quality Teacher Incentive Act, to remedy the teacher's shortage by providing stipends for certain teachers, signing bonuses, and tuition tax credits;

HB 868, the Maryland Meals for Achievement Pilot In-Classroom Program, to provide breakfasts for all children, regardless of family income, in participating schools;

SB 137, the Maryland Learning Success Program, to provide grants to local education agencies for reduction of class sizes for reading instruction in grades 1 and 2;

SB 736 and **HB 1167**, to make Martin Luther King Day a public school holiday; and

SB 273, to continue the State and local pilot program for certification by the National Board for Professional Teaching Standards by extending the sunset provision until 2004.

Education bills not passed included:

SB 354/HB 682, to authorize the Office of Legislative Audits to access audit reports of private foundations affiliated with units of State government;

SB 761 and **HB 116**, to establish charter schools; and

HB 1219, to make President's Day a public school holiday.

ELDERLY

Failed bills included **SB 714**, which would have required the Department of Health and Mental Hygiene, in consultation with the Health Care Access and Cost Commission, to develop a system to comparatively evaluate nursing facility quality of care and performance, and **HB 18**, which would have required national criminal background checks for individuals applying for employment at Adult Dependent Care Programs.

ELECTIONS

SB 345, to prohibit a State-funded entity from contributing to a candidate, passed the General Assembly. Bills that failed included:

- **HB 951**, concerning indicating on a check that it is from a political action committee;
- **SB 150**, concerning identifying campaign contributor information; and
- **SB 570**, concerning public campaign financing for General Assembly candidates.

ENVIRONMENTAL MATTERS

Environmental issues addressed this session included bills aimed at protecting State waterways and improving air quality. Concerns about the placement of material dredged from Chesapeake Bay shipping channels led to the passage of **HB 622**, creating the Kent Island Oversight Committee to monitor dumping off the shore of the island. **SB 208/HB 165** give local governments more input in the licensing of sewage sludge storage facilities. Oyster sanctuaries will be established as a result of the passage of **HB 275**, **HB 422** and **HB 1030**, which also allow oyster harvesters to use power dredging equipment in some areas. However, **SB 582**, calling for a study of the nontidal portion of the Potomac River Basin to provide a comprehensive assessment of future water supplies and demands, and limiting the placement of water intake pipes, did not pass. On the last day of session, the conference committee report that was adopted by the Senate was not approved by the House.

The sunset date for the Enhanced Vehicle Emissions Inspection Program was eliminated with the passage of **HB 788**. The bill also gradually increased the amount of money that must be spent on repairs before a waiver will be issued, and exempted from the test vehicles which are driven less than 5000 miles annually and registered to handicapped drivers, while eliminating a similar exemption for elderly drivers. However, **HB 1038**, which also passed, established the exemption for both handicapped and elderly drivers. **SB 509/HB 590**, signed on April 13 as **Chapters 41** and **42**, respectively, create an emission inspection program for diesel-fueled vehicles. After consideration of **SB 274**, the requirement for a reduction in the sulphur content of motor vehicle fuel sold in Maryland, the bill was referred to interim study.

FAMILY LAW

Child Care

Successful measures affecting child and dependent care include:

HB 6, to create the Maryland After-School Opportunity Fund Program which would provide grants for the development of innovative after-school programs with the aim of reducing juvenile crime, teenage pregnancy, and the number of juveniles who are victims of crime or accidents;

SB 631/HB 7, to create a State income tax credit for child and dependent care expenses for qualified taxpayers that would be 25% of the federal child and dependent care credit or of the State income tax for the taxable year, whichever is less. The credit would be in addition to the dependent care exemption that is already available; and

HB 299, to require unannounced inspections of family day care homes every two years, in the off years of the currently required biannual formal inspections.

Domestic Violence

Successful measures include:

HB 231, to prohibit District Court commissioners from releasing accused violators of ex parte or protective orders from jail before a trial, although the judge could allow pretrial release under conditions that would assure no risk of flight or danger to another;

HB 738, to allow a judge to include in a temporary ex parte or protective order a provision ordering an accused abuser to stay away from the victim's child care provider while the victim's child is in the provider's care; and

HB 233, to allow virtually anyone to seek a "peace order" for protection against an abuser, which could require the abuser to refrain from committing the abuse, contacting the victim, or entering the victim's residence, workplace, or school.

Failed bills include:

SB 407/HB 264, that would have allowed judges to seize firearms temporarily from suspected abusers at the time of an ex parte order; and

HB 393, that would have made an abuser who killed a person who was eligible for domestic violence relief guilty of first degree murder, provided the abuser had a past pattern of abusing the victim or had shown extreme indifference to human life during the incident.

Child Abuse

The General Assembly passed **SB 464/HB 958**, to codify the Governor's Council on Child Abuse and Neglect and 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. It would also establish State and local child fatality review teams to review unexpected deaths and near deaths, authorize local governments to establish citizens review panels to assist the Board and Council in review of specific cases, and authorize disclosure of child abuse and neglect records to the Council, Board, and review teams and panels.

Failed legislation includes:

HB 121, that would have required a local social services department that receives a report of suspected child abuse to immediately notify an appropriate law enforcement agency (the two agencies would have had to jointly ensure a thorough investigation of each report);

HB 724, that would have made it a misdemeanor for a private or parochial school educator to fail to report suspected child abuse; and

HB 778, that would have made it a misdemeanor for educators, health practitioners, police officers, and human service workers to fail to report suspected child abuse.

Marriage and Divorce

The General Assembly passed **HB 388**, to prohibit children under the age of 15 to marry. Current law allows those under the age of 16 to marry if they have the consent of a parent or guardian and the prospective bride is pregnant or has given birth.

HB 430, that would have required people seeking a civil divorce to remove religious barriers preventing their spouse from remarrying, failed.

Social Services and Welfare

SB 445/HB 914, if signed by the Governor, would alter the way Maryland's temporary cash assistance is calculated for working people already enrolled in the Family Investment Program by disregarding 35% of their earned income rather than the current 26% disregard.

The legislature also approved **SB 142/HB 184**, to establish the Joseph Fund to provide economically disadvantaged individuals with health services, food or shelter assistance, and services to meet the needs of children in an economic downturn.

HEALTH

Several proposals dealing with the responsibilities of the Health Care Access and Cost Commission (HCACC) and Maryland's health care delivery services and regulatory structure were considered:

- **HB 995**, which passed, integrates, consolidates, and streamlines the current responsibilities and duties of HCACC and the Health Resources Planning Commission, which will be abolished, under HCACC. HCACC is renamed the Maryland Health Care Commission and is required to coordinate its functions with the Department of Health and Mental Hygiene (DHMH) and the Health Services Cost Review Commission.
- **HB 978 (Chapter 111)**, a measure to repeal HCACC's Advisory Committee on Practice Parameters, was signed into law at the first bill signing on April 13.
- **SB 221**, passed at the last minute, requires the Health Care Access and Cost Commission to collect identification modifiers for Certified Registered Nurse Anesthetists (CRNAs) and Certified Registered Nurse Midwives (CRMWs) for the Maryland Medical Care Database. In addition, the bill requires identification modifiers for CRNAs and CRMWs to be recorded on claim forms when health care has been rendered by either type of nurse.
- **HB 909**, also passed, authorizes hospitals that have transferred certain services to an off-site facility to elect to have these facilities subject to the Health Services Cost Review Commission if certain requirements are met.
- **SB 593**, as passed, requires the State to apply for the inclusion of assisted living, personal care, respite care, and other services in a Medicaid home and community based services waiver program for eligible medically and functionally impaired individuals.
- **HB 994**, the Hospital Capacity and Cost Containment Act, also passed. This measure, aimed at increasing cost effectiveness and efficiency in Maryland's health care delivery system, broadens the certificate of need exemptions for a hospital wishing to relocate, change bed capacity, change the type of health care services offered, or make capital expenditures. It eliminates the requirement for a certificate of need when a health care facility changes the type or scope of health care services, when reallocating existing bed capacity, or when moving

to a site adjacent or in the primary service area of the existing hospitals and it provides for the delicensing of service beds. DHMH is required to ensure that payments for services provided by a hospital in a contiguous state, or the District of Columbia, to a Medical Assistance Program enrollee are reduced by 20%, if the hospital fails to submit discharge data on patients receiving hospital care to the Health Services Cost Review Commission. As well, hospitals may not create a new health care service through the relocation of beds from one county to another.

- Additional bills related to health care that passed include: **SB 187/HB 296**, to extend from July 1, 1999 to July 1, 2000 the date before which the DHMH cannot impose sanctions on small assisted living programs; **HB 350**, to establish a Task Force on Food Allergies and Restaurant Patrons to examine concerns or problems encountered by restaurant patrons who suffer from food allergies; and **SB 624/HB 884**, to require universal new born hearing screenings.
- **HB 40**, which failed in the Senate when that body did not adopt the conference committee's report, would have repealed the authority of HCACC to develop a payment system for health care services and would have authorized the Commission to promote the availability of information on practitioner charges and reimbursements from health insurers or HMOs.
- After intensive debate in both chambers, **SB 194**, that would have prohibited "partial birth" abortions, passed the Senate but failed the final House floor vote.

HOUSING

The legislature approved **HB 161** that requires new home builders to either disclose information on the presence of hazardous materials (such as asbestos, lead based paint, radon, methane, underground storage tanks, licensed and unlicensed landfills or rubble fills) present on the site of a new home, or, state that there are no warranties as to the presence of hazardous materials on the site. **SB 517/HB 967**, the Maryland Home Builders Registration Act, died in committee.

INSURANCE

The enrolled version of the Patients' Bill of Rights Act of 1999 (**HB 182**) designates the Maryland Insurance Administration as the single point of consumer information for health insurance, provides greater access for individuals with specific health problems to specialists through standing referrals or specialists not available in the carrier's provider network, and makes available prescription drugs not in the carrier's formulary. The adopted conference committee report provides coverage for at least one home visit for mastectomy or testicular surgery patients who are hospitalized less than 48 hours and an additional home visit if prescribed by a physician.

Additionally, **HB 1210** establishes an HMO quality assurance department within the Department of Health and Mental Hygiene and requires the newly created unit to enforce all quality of care requirements and investigate related HMO complaints. Non-complying HMOs may be fined up to \$125,000.

Resolutions passed (**SJ 7/HJ 8**) that 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.

SB 594 did not pass. Under this bill, HMO medical directors would have been subject to the State Board of Physician Quality Assurance's disciplinary review based on their practice of medicine in determining medically necessary or appropriate health care. **SB 267**, allowing HMOs to provide primary care services through nurse practitioners did not pass House scrutiny; similar House legislation (**HB 321**) has been designated for summer study.

LEGISLATIVE MATTERS

SB 1/HB 1, the ethics bills introduced at the request of the Special Study Commission on the Maryland Public Ethics Laws, have passed the General Assembly in identical form as amended. The bills would:

- broaden the current restrictions on representation of clients for compensation before State agencies and would apply them to local governments;
- prohibit employment by a legislator in a State agency or local government with some exceptions authorized by the Joint Ethics Committee;
- prohibit a legislator from intentionally using the prestige of the office for private gain;
- keep the deadline for filing the financial disclosure statement at April 30 with a legislator being required to file an earlier preliminary disclosure if a substantial change is anticipated;
- lower the value of a gift which must be reported to \$20 from \$25;
- require that a copy be made available to the Joint Ethics Committee to increase the accessibility of the reports;
- restrict the acceptance of food and beverages from lobbyists to those events to which all members of the General Assembly, one chamber, a standing committee, or a delegation are invited;
- restrict the disclosure of acceptance of free tickets to those with a cumulative value of \$100 or more;
- prohibit a legislator from accepting a honorarium with some exceptions; and
- provide for an Ethics counselor.

Also approved, **SB 25/HB 2** make the prohibition against using prestige of office for private gain applicable to all State officials. Current law applies only to public officials and not to certain constitutional officers such as the Governor, the Lieutenant Governor, the Comptroller, and members of the General Assembly.

SJ 3/HJ 20, to create a Study Commission on Lobbyist Ethics, passed.

SPORTS AND GAMING

As passed, **SB 298** provides \$10 million to increase purses at Maryland's horse racing tracks. The bill also allows for the establishment of a thoroughbred race track in Allegany County.

STATE GOVERNMENT

HB 179, the collective bargaining bill for State employees, has cleared the legislative hurdle. As passed, the bill would statutorily give executive branch employees the authority to engage in non-binding collective bargaining. It would create a State Labor Relations Board to oversee the process including establishing bargaining units. Employees may collectively bargain wages, hours, other terms and conditions of employment to create "memorandums of understanding" between the employees and the State. No agreement is valid until ratified by the Governor and a majority of the members of the bargaining unit. The bill prohibits strikes by employees and lockouts by the State, service fees for nonmembers, and collective bargaining by nonfaculty employees of the University System of Maryland

SB 141/HB 191, aimed at enhancing the State police retirement system, were approved. The bills would revise the retirement benefits for State police personnel by reducing the minimum number of years required for a normal service retirement from 25 to 22 years, increasing the benefit rate to 2.55%, increasing the contribution rate in certain circumstances, and creating a Deferred Retirement

Option Program (DROP). Under DROP a State police officer may "retire" but would continue to be employed for a period of no more than four years. During this period, retirement benefits would be paid into the DROP account and accrue interest. Upon leaving State service, the employee would receive this accumulated amount in a lump sum. The bills would also provide incremental benefits increases based on the length of retirement for personnel retiring before July 1 by a minimum of \$1,000. The bills would take effect July 1, 1999.

As approved, **SB 170/HB 183** create a new Department of Veterans Affairs by consolidating the existing Maryland Veterans Commission, the Maryland Veterans Home Commission, and the War Memorial Commission into the new department. Legislation also passed, **SJ 11**, to create a Task Force on Regulatory Reform to study Maryland's regulatory procedure and its impact on small businesses.

TRANSPORTATION

SB 387/HB 722, both passed, will prohibit the Motor Vehicle Administration (MVA) from disclosing personal information about a driver without the driver's written consent. The prohibition would not apply when certain entities, such as governments, courts, police, and insurance companies, request information. Other companion bills that passed will create an income tax credit for companies that provide commuting benefits to their employees. **SB 390/HB 636** will provide a tax credit of up to 50% of a business' cost to reimburse employee expenses for mass transit.

Time ran out for a measure that would have established the offense of "aggressive driving". **SB 710** would have prohibited a person from exceeding a maximum speed limit or posted speed limits and violating two or more of the following offenses: running a red light, cutting off other drivers, passing on the right, following too closely, or failing to yield the right-of-way.

Other transportation measures that did not pass include:

- **HB 140**, to authorize a law enforcement agency to issue a citation to the owner of a vehicle reported by a school bus driver for failure to stop for a school bus with flashing warning lights;
- **SB 254**, to require State and local governments to take measures that would have resulted in a significant reduction in the amount of vehicle miles traveled by motorists on Maryland's roads over the next 20 years;
- **SB 597**, to prohibit for 180 days after a driver's license was 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 was a passenger in the car;
- **SB 239**, narrowly defeated, to require individuals who are at least 18 years old or younger to wear a helmet when riding or operating a motorcycle. (Current law requires everyone to wear a helmet); and
- **HB 37**, which received international attention, to prohibit a driver from using a telephone in a motor vehicle that was in motion.

UTILITIES

In the early days of this legislative session, **HB 3/SB 65, Chapters 1 and 2** respectively, were signed into law and took effect immediately. The bills will allow public service companies to create separate unregulated holding companies.

Later, Governor Glendening also signed **SB 300/Chapter 3** and **HB 703/Chapter 4** that will deregulate the electric utility industry. The purpose of this legislation remains to establish customer choice, create a competitive electricity market, deregulate the supply of electricity, provide benefits

for all customer classes, and ensure compliance with federal and State environmental standards. The first 1/3 of residential customers will begin choosing their electricity supplier in July 2000; a phase-in process will follow until all residential customers have chosen their supplier by July 2002. The range for a rate reduction is set between a minimum of 3% and a maximum of 7.5% for residential customers. This reduction will only be in effect for four years.

The Governor also signed the utility tax reform bills (**SB 344/Chapter 5** and **HB 366/Chapter 6**) which alter the taxation of the utility industry to account for the restructuring of the electricity and gas industries. This legislation was linked to the deregulation bills.

Other measures that passed will penalize telephone companies that change customers long distance service without their knowledge. Under **SB 299/HB 960**, companies may be fined for changing service without getting a customer's consent, and customers affected may not have to pay for the first 30 days of unauthorized charges. The bills also will prohibit a telephone company from taking actions on behalf of a customer to change the long distance service, unless the telephone company complies with authorization and confirmation procedures adopted by the Public Service Commission.