



The LEGISLATIVE WRAP-UP

Issue: 01-9

March 5 - 9, 2001

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CIVIL RIGHTS

A House committee heard testimony this week on **HB 307** that prohibits discrimination based on sexual orientation. Companion **SB 205** is scheduled for a hearing next week. A House committee has reported unfavorably on **HB 573** regarding sanctions against law enforcement officers who engage in racial profiling. The House passed **HB 303** that requires law enforcement agencies to adopt policies against racial profiling. Companion **SB 208** will get a hearing next week.

CRIMINAL MATTERS AND CORRECTIONS

Tougher animal cruelty prohibitions and penalties under **SB 356/HB 649** make it a felony to intentionally mutilate, torture, or cruelly beat or kill an animal; arrange, conduct, or use a dog in a dogfight; use a bird in a cockfight; or intentionally cause bodily harm, permanent disability, or death to a police animal. Under current law, all animal cruelty crimes are misdemeanors. **HB 649** has a hearing next week.

ECONOMIC, BUSINESS, AND CONSUMER ISSUES

Under the designation of the Electronic Transactions Protection Act, a new unit in the Attorney General's Office will have a broad mandate to protect the privacy of personal information and the public from unlawful conduct or practices in electronic transactions. The bill has passed the Senate (**SB 363**).

Four other bills that address electronic commerce have passed in their respective chambers. **SB 397/HB 519** adjust last year's UETA or Uniform Electronic Transactions Act to comply with federal law. UETA provides for the validity for certain electronic signatures and records. **SB 398/HB 520** make an exemption for open source software under certain provisions of Maryland's UCITA or Uniform Computer Information Transactions Act, that also passed last session. UCITA provides rules governing electronic commerce contracts and licenses for computer information and programs.

The Senate has approved **SJ 11** to study the feasibility of creating a State-sponsored venture capital program for biotechnology, with a focus on making venture capital available throughout the State where existing and newly formed biotech research and industry centers are located.

The Senate has passed a controversial measure reenacting law, first passed in 1998 and again in 2000 and subsequently challenged in court, that addresses protection for directors of investment companies. The legislation is retroactive to January 1998 (**SB 264**). Companion **HB 1045** remains in committee.

Under Maryland's present liquor laws, it is illegal for residents to receive out-of-state shipments of wine. **SB 272/HB 1020** will allow those over 21 to buy a State personal consumption import wine license for a fee and receive a maximum of one case of wine per month.

EDUCATION

Heard in committee recently:

- **SB 207** authorizes for the first time collective bargaining for employees at St. Mary's College, Morgan State University, Baltimore City Community College, and the University System of Maryland. Employees not covered by this legislation include faculty, administrators, teaching assistants, certain contractual employees, and others. The companion is **HB 300**;
- **HB 1072** provides that a public elementary or secondary school may allow a nonenrolled student to participate in extracurricular school activities such as athletics, music or drama programs, student organizations, and other school-sponsored programs. The nonenrolled student must be eligible to attend the public school and must be either an approved home-schooled student or a student from a private school that does not sponsor the extracurricular activity;
- **HB 1**, the Targeted Education Funding Act of 2001, changes the current expense funding formula to provide increased State funding for K-12 education for special education programs and transportation of disabled students, as well as a new targeted education aid grant based on the State's disparity grant formula to reduce education spending disparities for several less affluent school systems; and
- **HB 1090** requires county boards of education to establish full-day kindergarten programs by the 2006-2007 school year. Currently, three counties provide full-day kindergarten for all kindergarten students, and eight counties provide full-time kindergarten in some of their elementary schools.

Passing the Senate, **SB 213** raises the family income cutoff for eligible students to receive the HOPE Scholarship from \$80,000 to \$95,000. An amendment includes the HOPE Community College Transfer Scholarship in the bill. The House adopted the same amendments and has scheduled a final vote on its version, **HB 329**, next week. Referred to interim study, **SB 171** would have allowed children living temporarily with grandparents or other relatives in kinship care to attend school in the area where they are staying.

Several bills received unfavorable votes in committee:

- **HB 55**, requiring Maryland colleges and universities to have polling places on campus;
- **HB 117**, proposing to transfer leftover funds from Maryland Science and Technology Scholarships to certain other students; and
- **HB 1131**, establishing a 15-member commission to study the Maryland School Performance Assessment Program (MSPAP).

ELECTIONS

Quite a number of proposals are before the legislature dealing with many issues related to election law. The majority of Senate bills have been heard in committee, while a significant number on the House side are scheduled to be heard on March 14. Generating a lot of discussion, **HB 1248** provides a formula for public campaign financing for candidates running for election to the General Assembly. Public funds would provide three-quarters of the campaign costs for Senate candidates who agree to limit their races to \$90,000 and for House candidates who agree to a limit of \$45,000. Candidates are also required to limit all private contributions to \$100 per donor. Maine, Arizona, and Vermont have public election financing laws on the books. Another bill, **HB 1398**, repeals the authority to form a political committee known as a slate. Currently, a slate may be formed by two or more candidates to conduct and pay for joint campaign activities, but there is no limit on the amount of money that can be transferred among members of a slate.

From the Senate side, **SB 36**, now awaiting House committee action, requires that all

expenditures from a campaign account be supported by a receipt retained by a campaign's treasurer or subtreasurer. The bill also contains other administrative provisions related to payment of campaign expenses. **SB 36** is designated as an emergency measure and will require a three-fifths vote from both chambers for passage.

A measure related to voter identification was reported favorably to the House floor, but sent back to a committee for further consideration this week. HB 271 requires a voter to present identification at a polling place on election day or sign an affidavit, and, as well, to provide the voter's Social Security number and fill out a change-of-address form, if applicable.

FINANCIAL INSTITUTIONS

Moving to the opposite chamber after passage in the Senate and House are amended bills **SB 377** and **HB 399** that revise the State's credit union laws. The legislation was introduced on behalf of the Task Force to Study the Modernization of Credit Union Law.

A House committee reviewed **HB 821** that links designation of a banking institution as a depository for State funds with that institution's offering of basic low initial bank accounts to customers. Companion **SB 683** was heard by a Senate committee last month.

Testimony was taken this week on **HB 536**, authorizing deferred presentment services or payday lenders to operate in the State and be licensed through the Commissioner of Financial Regulation. Currently, the permissible annual interest rate for licensed lenders is 33% for small loans under \$6,000. Companion **SB 601** has already had a hearing in the Senate.

FISCAL MATTERS

HB 150, the State Budget bill, comes to the House floor Monday and will be discussed on Wednesday. The Senate budget committee will make its decisions next week.

In recognition of the growing prominence of biotechnology in the State's business climate, **SB 801/HB 1098** create a Maryland Biotechnology Tax Benefit Certificate Program in the Department of Business and Economic Development (DBED) to permit a biotechnology company, if approved by the Department, to sell tax breaks concerning unused research and development credits and unused net operating losses. The maximum benefit per company is \$4 million. The Department may not approve the transfer of more than \$20 million of tax benefits per year. The House bill has had a hearing. The hearing on the Senate bill is next week. Also seeking to enhance business endeavors, **SB 456/HB 920** permit DBED to increase the maximum \$3 million cap for one component of the research and development tax credit by the amount of the unused portion of the other component if the first has attained its \$3 million cap. The Senate bill has passed that chamber, while the House bill has had a hearing before a House committee.

SB 792/HB 1137 exempt the following from the sales tax: communications equipment purchased by Internet service companies; supercomputing equipment purchased by medical or biological companies; and tangible personal property incorporated into the construction or renovation of a biotechnology manufacturing facility. The House bill has had a hearing. The hearing on the Senate bill is March 16 **SB 613**, giving a work-based learning tax credit to the construction industry, has passed the Senate. The bill permits the Maryland Department of Education to approve up to 1000 student participants each year. **SB 596/HB 1177** create a new property tax disparity grant program for those counties whose per capita property tax yield raises less than 85% of the statewide average. The State currently provides disparity grants to counties whose per capita income tax yields are less than 75% of the State average. Each of the bills has had a committee hearing.

The House passed **HB 280**, clarifying that the long term care insurance tax credit enacted in 2000 cannot exceed an individual's income tax liability. The Senate companion bill, **SB 148**, is

in a House committee. Other legislation, **HB 396**, heard in committee, extends the credit to those who were covered by long-term care insurance prior to July 1, 2000. **HB 1125**, imposing an ammunition tax, has received an unfavorable report from committee.

HEALTH CARE AND INSURANCE

In an effort to make it easier for more hospitals to offer cardiac surgery services, **HB 1132**, heard by committee this week, would remove the certificate of need (CON) requirement from the licensing of open-heart surgery programs by the Department of Health and Mental Hygiene. The CON is a method for implementing the State Health Plan and for containing costs. The crossfiled bill, **SB 735**, will have a hearing next week. Similar legislation has failed in past sessions.

Abortion foes held a Monday night rally this week to show their backing for several bills scheduled for hearings next week including:

- **SB 643**, requiring parental notification prior to performing an abortion on a minor;
- **SB 645**, requiring that at least 24 hours before an abortion is performed certain information be provided to the pregnant woman; and
- **SB 756**, requiring physicians and health care providers to report on a monthly basis each abortion performed in the State and to report any medical care given to a patient due to complications resulting from an abortion.

Other legislation relating to women and health seeing action this week included **HB 1224**, heard in a committee, that requires hospitals and other health care facilities that provide emergency care to rape survivors to provide information about emergency contraception. Upon request by the victim, medically appropriate contraception may be provided or a referral given on where to obtain the contraception. Receiving an unfavorable report from committee, **SB 180** would have created the Maryland Office of Women's Health and Women's Health Care Grant Fund. Its companion bill, **HB 4**, has been sent back to committee following a favorable committee report.

Legalizing marijuana for medical use, **SB 705** was killed by a Senate committee this week. The House bill, **HB 940**, remains in committee. A newly introduced bill, **HB 1451**, allows a county or municipal corporation to enact a local law authorizing the possession and use of marijuana for medical conditions, if the law has been voted favorably by referendum in a special or general election.

The General Assembly also acted on several other health-related measures this week:

- **HB 433**, to permit a resident or representative to install electronic monitoring cameras in a nursing home room to prevent abuse of the patients, was referred to interim study;
- **HB 727**, to allow the recipient of an award from the Maryland State Nursing Scholarship Program to also receive a Senatorial Scholarship, a Delegate Scholarship, or a Distinguished Scholar Award, received preliminary approval (companion **SB 96** has passed the Senate); and
- **HB 753**, to expand the eligibility requirements for nursing students under the Maryland HOPE Scholarship, received an unfavorable committee report.

SPORTS AND GAMING

Committees have heard testimony recently on:

- **SB 560**, requiring the Department of Natural Resources, in establishing and publishing the annual open season for Canada geese, to conform to the longest season authorized by

the annual federal migratory bird rules and regulations; and

- **SB 775** (companion bill is **HB 586**), requiring the Governor on behalf of the State, to enter into an interstate compact with the City of Baltimore, the Commonwealth of Virginia, and the District of Columbia to create the Chesapeake Regional Olympic Games Authority to oversee the conduct of the 2012 Olympic Games. Virginia has passed similar legislation.

Three bills to help the racing industry were before committees this week:

- **SB 391** abolishes the Maryland Horsemen's Assistance Fund, Inc. and establishes in its place the Maryland Thoroughbred and Standardbred Horseman's Assistance Funds. Fines paid for industry violations would go to charitable causes dedicated to racing (companion **HB 1269** will be heard next week);
- **SB 423** provides that \$250,000, rather than \$100,000 of the excess lottery funds for fiscal 2000, be distributed to a trust that provides health, disability, and retirement benefits to active, disabled, or retired thoroughbred jockeys and their dependents; and
- **SB 765** extends from June 30, 2001, to June 30, 2002, provisions of the law that require \$10 million in unanticipated lottery revenues to be distributed to a special fund to increase purses at harness and thoroughbred tracks in the State.

STATE GOVERNMENT

The measure, initiated by the Governor, to increase minority representation in State procurement activities from the current 14% to 25% (**SB 210**) received preliminary approval from the Senate

Two bills have passed the House requiring the POW/MIA flag to be flown on certain days at the State House and on all days at State rest areas and welcome and exhibit centers along Maryland's highways (**HB 24**, **HB 51**).

Among the bills aired before committees this week were companion proposals, **SB 542/HB 1160**, to provide equal access to State agencies and services for persons with limited English proficiency. Under the proposals, which are similar to bills that failed last session, equal access would encompass provision of interpreters and translation of State forms and documents ordinarily provided to the public into any language spoken by 3% of the State population or by 3% of the population within the geographic jurisdiction of a State agency's local office. State agencies must adopt regulations implementing equal access by March 1, 2002.

Testimony on two bills related to State symbols was heard this week. **HB 1057** repeals as the State song, "Maryland, My Maryland," whose current words are taken from a poem written in 1861 in sympathy with the Confederate cause during the Civil War. **HB 1372** makes the raven, the mascot for the Baltimore Ravens National Football League team, a State bird, in addition to the Baltimore Oriole.

TRANSPORTATION

Legislators are considering measures that would keep the Emergency Medical Services Operations (EMSO) Fund solvent. **HB 833** requires the addition of a \$20 surcharge to any fine levied in a traffic case where points may be assessed. The surcharges will then go into the fund each year. **SB 292/HB 1148** increase from \$8 to \$11 per year the surcharge that is used to help provide money for the EMSO Fund and is paid by owners of motor vehicles when registering their vehicles.

Several measures related to drunk driving have been sent to the opposite chamber after floor approval this week. The House has approved:

- **HB 3**, lowering the BAC threshold from .10 to .08;
- **HB 338**, allowing a court to consider in its deliberations a person's refusal to take a blood alcohol test after being detained for drunk or drugged driving;
- **HB 337**, authorizing the Motor Vehicle Administration (MVA), under certain circumstances, to modify a driver's license suspension for participants in the Ignition Interlock Program; and
- **HB 261**, prohibiting the expungement of criminal records based upon the entry of a probation before judgment if the charge was homicide or life threatening injury by motor vehicle or vessel while intoxicated or under the influence of alcohol, drugs, or a controlled dangerous substance.

The Senate has passed **SB 55**, requiring the MVA to impose on each licensee under the age of 21 an alcohol restriction that prohibits the licensee from driving or attempting to drive while having alcohol in the licensee's blood.

A bill that would have required the juvenile court to order the MVA to suspend the driver's license of a child who misrepresented his or her age to obtain alcoholic beverages was defeated in committee (**HB 452**).

UTILITIES

During the session a number of bills have been dropped in the hopper that would make changes to Maryland's 1999 electric deregulation law. One of these heard in committee this week, **HB 1022**, requires functional, operational, structural, and legal separation between an electric company's regulated businesses and its nonregulated businesses or affiliates, thus correcting what the sponsors deem an oversight in current law. A companion measure, **SB 777**, will be heard in committee next week.

Concerns about energy conservation and the removal of power consumption reduction programs in place before the passage of the 1999 deregulation law prompted the introduction of **SB 688/HB 1322**. The bills create an Energy-Saving Investment Fund and a Plan that is specifically aimed at making little-used energy efficient products and services standard options for consumers, finding ways to use cost-effective energy efficient methods and equipment in homes and buildings, reducing peak demand for electricity, improving service reliability, and ensuring that low-income customers have opportunities to participate. (A percentage of the fund will go to programs that serve these customers.) Under the bills, retail electric customers and residential retail gas customers will pay an investment charge to the fund, and the State is authorized to provide matching money.

Another measure is aimed at the development for use in Maryland of clean renewable energy resources such as those from solar, wind, biomass, methane from landfills or wastewater treatment plants, geothermal, or ocean sources. Under **SB 767**, the Public Service Commission will establish a clean energy portfolio standard, phased in over a six-year period, that requires a percentage of electricity in each retail electricity product sold in the State to be derived from these clean renewable resources beginning with .05% in 2005 and ending with 5% in 2010 and every year thereafter. A fund, set up under the legislation, will contain money assessed on products that fail to comply with the standard. There are also provisions to pay compliance fees to owners who do produce electricity from eligible energy resources. **SB 767** is scheduled for a hearing next week.