



The Legislative Wrap-Up

Library and Information Services, Department of Legislative Services

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CLOSING DAYS

As the 2002 session moved toward *sine die*, the General Assembly was scheduled to meet on Saturday, April 6, in order to complete its deliberations. As of Friday, April 5, 480 bills had been approved and 1,024 had been defeated. A total of 2,427 bills and resolutions were introduced this session.

- [HB 469](#), pending resolution of added Senate amendments, relates to new penalties for taking oysters from oyster sanctuaries; and
- [HB 662](#), with final approval, creates a task force to study the economic development of the Maryland seafood and aquaculture industries.

[HB 747](#), relating to the minimum size for possession of hard crabs and to the use of crab scrapes, received an unfavorable report from a Senate Committee.

AGRICULTURE/SEAFOOD INDUSTRY

Some of the legislative recommendations of the Task Force to Study the Maryland Agricultural Land Preservation Foundation (MALPF) are ready for the Governor's signature. [SB 544/HB 810](#) re-establish the task force in order to complete development of its recommendations for the next legislative session and [SB 391/HB 999](#) remove the statutory deadline of July 1 for applications to sell easements. Unsuccessful recommendations include [SB 435/HB 998](#), which would have allowed nonagricultural use of farmland in the program, and [HB 1384](#), which related to subdivision of land.

Other MALPF-related legislation given final approval included [HB 1000](#), requiring MALPF to release 1 acre to a landowner who originally sold an easement, or to a subsequent landowner in Carroll County, for the purpose of constructing a dwelling house under specified circumstances. [HB 722](#), which would have allowed a landowner whose land is subject to an agriculture preservation easement to use the land for a kennel, received an unfavorable committee vote.

The General Assembly also took action this week on a number of seafood industry bills:

- [SB 493](#), amended identically and passed, require the Department of Natural Resources to study native and nonnative oyster species and report on the research by December 2004 (The companion bill, [HB 353](#), has passed the Senate with amendments);

CIVIL RIGHTS

A Senate committee heard testimony this week on [HB 67](#). Under the bill, an insurer or employer may not refuse to provide workers' compensation for a covered employee, or reduce a covered employee's compensation, because of an employee's genetic information. A workers' compensation insurer also may not cancel or refuse to issue a policy or provide coverage based on the genetic test or genetic information of an employee.

COURTS AND CIVIL PROCEEDINGS

In an effort to make small claims court more accessible to consumers and small business owners, the General Assembly approved [HB 70](#) to increase the maximum amount of a suit in a small claims action in District Court from \$2,500 to \$5,000. The Governor vetoed a similar measure last year.

Also gaining final passage, [HB 1165](#) authorizes the Court of Special Appeals to hold sessions at the law schools of the University of Maryland and the University of Baltimore.

CRIMINAL MATTERS AND CORRECTIONS

The Senate and House passed similar bills ([SB 747](#) and [HB 854](#)) that clarify and restrict the application of

diminution credits to sentences of inmates whose program of mandatory supervision is revoked and who committed a crime while on mandatory supervision. The bills also call for the establishment of a workgroup to study and make recommendations on the calculation of diminution credits for a new sentence for a crime committed while an inmate was on mandatory supervision, and on other related issues. To achieve final passage, the chambers must reconcile the bills' differences.

Final legislative approval was given this week to [SB 429](#) and [HB 232](#), which prohibit an inmate from lewdly, lasciviously, and indecently exposing himself or herself in the presence of a corrections officer or employee with the intent to annoy, abuse, torment, harass, or embarrass the officer or employee. The crime is a misdemeanor with a maximum penalty of 3 years in jail and a \$1,000 fine.

ECONOMIC, BUSINESS, AND CONSUMER ISSUES

The General Assembly created TEDCO, the Maryland Technology Development Corporation, in 1998 to foster the development of an economic environment that will create and sustain businesses in the field of technology. This session the legislature agreed to adjust the legal authority of TEDCO to allow it to become competitive on a broader basis for certain federal funds that are available to nonprofit and for-profit organizations ([SB 307/HB 405](#)).

Marylanders will be able to purchase, for personal consumption, wine via mail or the Internet, if the Governor agrees. [SB 494/HB 811](#) create a direct wine seller's permit for out-of-state wine sellers whose brands are not distributed by any Maryland licensed wholesaler. The fee for the permit is \$10 per year and the permit holder is required to file an annual Maryland tax return. A buyer must be 21 years old, a Maryland resident, use the wine for personal consumption and not for commercial purposes, and may not hold a Maryland alcoholic beverage license.

The 2002 legislature considered a number of bills related to consumer issues. Winning approval this week, [SB 543/HB 863](#) specify standard contract provisions and obligations of merchants who provide service contracts for goods such as appliances, electronics, lawn and garden equipment, and computers. [SB 25](#) prohibits the printing on a receipt of more than the last eight digits of

a credit card number or other payment device number, but, as amended by the House, adds a \$25 penalty for each violation. Reaching preliminary approval from the House, [SB 538](#) delineates the circumstances under which unauthorized, misleading, or false commercial electronic mail is prohibited. The Senate and House appointed conference committees to consider [SB 559](#) and [HB 358](#), both of which deal with various aspects of the crime of identity theft.

EDUCATION

The Adequate and Equitable Funding for Public Schools Act, reflecting the recommendations of the Commission on Education Finance, Equity, and Excellence, i.e. the Thornton Commission, was amended and passed by the Senate this week. Now [SB 856](#), renamed the Bridge to Excellence in Public Schools Act by the Senate, provides over \$78 million in additional educational funding and \$25 million to the general fund in fiscal year 2003. This funding will be financed through an increase of 34 cents in the State tax on cigarettes. In fiscal 2004, a limited phase-in of the education funding formulas, created under the bill, begins and continues through fiscal 2008 when the full phase-in of approximately \$1.3 billion in new education funding is scheduled to be in place.

In an effort to equalize educational opportunities, the Foundation Program, formerly the Basic Current Expense Program, distributes aid according to local wealth. [SB 856](#) also addresses a number of issues related to local and State accountability including requiring each school system to develop a comprehensive master plan that describes the strategies that will be used to improve performance in every segment of the student population. Among other policy changes, by 2007-2008 every school system must provide full-day kindergarten for all students.

Late in the week, the House passed the bill after adopting its amendments that included a provision to require the General Assembly in 2004 to affirm that the additional aid is within the State's fiscal resources before implementing additional aid in 2005. The measure now moves back to the Senate.

Several bills have received final legislative approval:

- [HB 316](#) alters the grade point average calculation that is used to determine eligibility for a HOPE scholarship;

- [HB 779](#) allows a private elementary or secondary school that is exempt from taxation under the Internal Revenue Code to use the services of the Purchasing Bureau of the Department of General Services to purchase materials, supplies, and equipment, if the school has been issued a certificate of approval by the State Board of Education or accreditation by the Association of Independent Schools; and
- [HJ 9](#) urges boards of education to develop and institute a curriculum on or before Veterans Day or Memorial Day to instill patriotism and awareness of the great sacrifices made by veterans. (The companion resolution [SJ 2](#) is pending in the House.)

Other education-related legislation is still moving through the legislative process:

- [HB 7](#), as passed by the Senate with amendments, establishes a pilot program to provide grants for instruction and training of principals;
- [SB 213](#) and [HB 131](#), as amended by the opposite chambers, authorize public charter schools (A conference committee has been appointed for the House measure.); and
- [HB 949](#), as returned to the House for the consideration of Senate amendments, replaces the Prince George's County elected school board with a board appointed by the county executive and governor from a list of candidates submitted by the State school board. A chief executive officer would replace the superintendent, but the board will revert to an elected body after 4 years. The bill also requires Prince George's County to impose a sales and use tax on telecommunications service at a rate not less than 5% to fund schools. State aid to county schools would be increased by another \$20 million for the 2003-2004 school year.

ELECTIONS

Since the General Assembly did not adopt an alternative measure by the 45th day of the session in accordance with provisions of the Maryland Constitution, [SJ 3/HJ 3](#), containing the 2002 legislative districting plan became effective on that day. The plan redraws the lines of the State's 47 legislative districts from which candidates for

the General Assembly will run in the September primaries and in the November general election. The lines will next be redrawn in 2012 in response to the United States decennial census of 2010.

The Maryland congressional districting plan for the State's 8 U.S. congressional districts, contained in [SB 805](#), must be approved by both chambers and is subject to a gubernatorial veto. The bill has cleared the Senate but without the necessary number of votes to continue with emergency status. However, the bill passed the House with an amendment, which will send the measure back to the Senate where its emergency status will be revisited.

Recent final approval was given to election law measures refining procedures related to PAC contributions through payroll deductions ([HB 1249](#)), altering the due date of the annual campaign finance report from November to the third Wednesday in January ([SB 721/HB 383](#)), and establishing a Study Commission on Public Funding of Campaigns in Maryland ([SB 471/HB 538](#)).

ENVIRONMENTAL MATTERS

Although several environmental proposals are pending, the following received final legislative approval this week:

- [SB 248/HB 5](#), emergency bills, expand who has standing to seek judicial review of air quality operating permit decisions;
- [SB 848/HB 1229](#) establish new procedures for environmental permit contested cases;
- [HB 295](#) provides for a 3-year statute of limitations for violations of certain air quality and radiation laws;
- [HB 350](#) establishes the conditions under which the Secretary of the Department of the Environment (MDE) may adopt and enforce primary drinking water regulations that are more stringent than national regulations. ([SB 246](#), as amended by the House, is identical);
- [SB 326/HB 528](#) require a local jurisdiction, among other considerations, to consider the reasonable use of the entire parcel or lot for which a variance has been requested for land

covered by the Chesapeake Bay Critical Areas Protection Program; and

- [SB 87](#) requires the Department of Natural Resources to prepare a fishery management plan for catfish.

[HB 693](#), which requires MDE to develop best management practices for improving water conservation and efficiency in public water and sewage treatment, was amended in the Senate and now must return to the House. The Senate bill, [SB 549](#) remains in a House committee.

[SB 195/HB 536](#), amended identically in each chamber, revise the method for determining and marking submerged aquatic vegetation protection zones, and add traditional bottom rake and shinnecock rake to the prohibited gear in those zones.

A Senate committee rejected [HB 444](#) requiring publicly owned wastewater treatment plants to post permanent warning signs at discharge points.

FAMILY LAW

Bills gaining final passage this week include:

- [HB 993](#), extending child support for an 18 year old, full-time secondary school student, until the earlier of when the child graduates, turns 19, is no longer enrolled in secondary school, marries, is emancipated, or dies; and
- [SB 404/HB 106](#), authorizing a sitting or retired judge or justice from any court in the United States to perform a civil wedding ceremony in Maryland. Currently only a clerk or deputy clerk of the circuit court or a minister may perform wedding ceremonies.

Different versions of legislation affecting the existing child support enforcement privatization pilot program continue to advance. [HB 495](#), as passed by the Senate in an amended form, repeals the pilot program's termination date and expands demonstration sites to all jurisdictions except Baltimore City and Queen Anne's County by July 1, 2005. [SB 178](#), as amended by the House, retains the pilot program's termination date, but continues the demonstration sites in Calvert, Howard, Montgomery, and Washington Counties until June 30, 2003. [SB 178](#) also allows current welfare recipients to

participate in a mentoring program that at present involves only former welfare recipients. The measure additionally requires local departments of social services to enter into hiring agreements with certain contractors who hold county procurement contracts to employ welfare recipients.

FINANCIAL INSTITUTIONS

Passed by the House, [SJ 7](#) urges the Maryland Congressional Delegation to enact legislation prohibiting an insured depository institution from making a payday loan either directly or through an agent or affiliate. Before a Senate committee this week, an amended [HB 649](#) generally provides that only the State may enact a law that purports to regulate extensions of credit made by a financial institution. Additionally, the bill prohibits a mortgage lender, for small consumer loans, secondary mortgage loans, and closed end credit loans secured by real property, from: (1) financing single premium credit health, credit life, or credit involuntary unemployment benefit insurance as part of a loan; and (2) making loans without giving due regard to the borrower's ability to repay the loan in accordance with its terms.

FISCAL MATTERS

With the adoption of the conference committee report and passage of [SB 175](#), the General Assembly enacted the Budget Bill this week. The bill appropriates \$21.6 billion for the operation of State services and programs for fiscal year 2003. The operating budget includes aid to education for K-12 totaling \$3.8 billion, a \$160 million increase, which does not include additional aid made available through other bills; \$3.1 billion for State universities and colleges, \$24.2 million more than was appropriated in fiscal year 2002; \$189.7 million in aid to community colleges; \$3 billion for the medical assistance program; and \$3.75 million in State aid for nonpublic school textbooks, reducing the original proposal by \$1.25 million.

Legislative reductions to the Governor's proposed budget totaled \$467.7 million, bringing the fiscal year 2003 appropriation to \$166.2 million below the Spending Affordability Committee's recommended appropriations. Among the reductions are:

- \$40 million from statewide information technology projects;

- \$11 million through the elimination of approximately 3,900 vacant State employee positions;
- \$26.2 million from State universities and colleges;
- \$6 million from aid to private universities and colleges;
- \$15.7 million from aid to community colleges; and
- \$11.7 million from the capital appropriation for the Neighborhood Business Development program.

The General Assembly also passed [SB 323](#), the Budget Reconciliation and Financing Act, which transfers money from special funds to the General Fund, redirects revenue from selected special funds to the General Fund, and makes other changes to the law to increase revenue and decrease expenditures. The bill, as approved:

- maintains the personal income tax reduction at 4.75%;
- maintains the 50% valuation of power-generating property;
- continues grants to counties with power-generating plants;
- allocates disproportionate share hospital payments received from the federal government to a special fund to reduce the deficits in the State's fee-for-service public mental health system;
- requires the first \$20 million in tobacco settlement funds, released upon the resolution of the attorneys' fee litigation, to be used for tobacco prevention and cancer prevention with the next \$73 million to be used for medical assistance;
- appropriates \$16 million in reserve funds for health programs and security for State facilities, among other purposes; and
- appropriates \$23.1 million for higher education capital and maintenance projects and for other higher education purposes, contingent upon the

enactment of the increase in the cigarette tax proposed in [SB 856](#).

The "Maryland Consolidated Capital Bond Loan of 2002" ([SB 288](#)), as passed by the House, authorizes the State to borrow \$731.1 million for State capital projects while deauthorizing \$11.1 million in projects. The bill is now in conference committee to reconcile the differences between the two chambers. House changes include:

- an increase to \$12.5 million for Rural Legacy—a \$7.5 million increase;
- an increase to \$12.5 million for the GreenPrint Program—a \$2.5 million increase;
- a decrease to \$4 million for the Community Parks and Playgrounds Program—a \$1 million decrease; and
- an increase to \$4 million for the Community Legacy Program—a \$4 million increase.

For the first time since 1992, the capital budget plan does not provide for separate bond bills for local projects. However, in [SB 288](#), the House amendments authorize \$49.2 million for local projects and the Senate amendments authorize \$32.6 million for local projects.

[HB 759](#), which limits the Maryland Heritage Structure Rehabilitation Tax Credit, has passed the Senate with amendments. As amended, the bill reduces the amount of the credit from 25% to 20% of qualified rehabilitation expenditures. The measure also removes the \$50 million limitation on allowable credits per year, as well as the \$20 million and \$30 million limitations within the overall limitation, but states that it is the intent of the General Assembly that the total commercial rehabilitations not result in credits exceeding \$50 million. The Department of Legislative Services will monitor the approval of commercial projects and notify the General Assembly when this limit is exceeded. The bill also repeals the \$50,000 limit on a noncommercial rehabilitation, imposes a maximum \$3 million credit, repeals the authority of the Maryland Stadium Authority to use the credit, and terminates the credit on June 1, 2004. The original companion, [SB 496](#), received preliminary approval in the Senate on Friday.

HEALTH CARE AND INSURANCE

Legislation related to mental health care continues to advance through the process. [SB 289/HB 454](#), both with final approval, extend the termination date for the Community Services Reimbursement Rate Commission from 2002 until 2005. The Commission studies and makes recommendations regarding rate system issues for the Mental Hygiene Administration.

Bills that require the Department of Health and Mental Hygiene (DHMH) to establish a process for setting reimbursement rates for Medicaid ([SB 481/HB 650](#)) have been amended to include public mental health system rates, taking into account information provided by the Commission. DHMH must submit a report each year to the Governor and General Assembly that outlines the process and any rate changes proposed.

[SB 556](#), establishing the Maryland Mental Health Crisis Response System to coordinate emergency mental health services statewide, has passed the House with amendments and the companion bill, [HB 483](#), has passed to the Senate after being amended to be the same. Amendments make the legislation contingent upon receipt of federal or other funds.

The General Assembly has passed legislation aimed at reducing the effect of the growing shortage of nurses. [HB 590](#) requires the Statewide Commission on the Crisis in Nursing to study and make recommendations on the use of technology in nursing. The technology application should maximize nursing productivity; increase the quality of patient care; and improve the work environment infrastructure in health care facilities. The companion bill, [SB 46](#), has passed the House with amendments.

[HB 917](#) has passed a preliminary vote in the Senate. The bill, as amended, requires a person conducting human research projects to comply with federal regulations on the protection of human subjects and allows a review board to redact confidential and privileged information from the minutes of its meetings.

Health legislation failing in committee this week included:

- [HB 496](#), which would have required first time enrollees at higher education institutions to be vaccinated against hepatitis B; and

- [HB 862](#), which would have allowed hospitals with off-site community-based mental health services to be reimbursed under the Medical Assistance Program. (The companion bill, [SB 612](#), remains in House committee.)

Also unsuccessful, [HB 930](#) would have required hospitals that provide emergency care to a rape survivor also to develop a protocol to provide information about emergency contraception.

In the wake of the controversy over the proposed CareFirst conversion, the General Assembly has continued to examine the ramifications of the change from several perspectives. [SB 487/HB 2](#), which alters current law by prohibiting the approval of the application for acquisition of CareFirst, unless the regulating entity finds that the acquisition is in the public interest, won final passage. Currently, the regulating entity is required to approve an acquisition, unless it finds the acquisition is not in the public interest.

Other initiatives to revise current law regarding the CareFirst conversion and acquisition process, as well as the regulation of nonprofit health service plans continue to be heard by committees. Bills under consideration include:

- [HB 141](#), prohibiting officers and directors from profiting from an acquisition;
- [HB 448](#), requiring that the proceeds from acquisition be in cash;
- [HB 1254](#), directing that the determination regarding an acquisition of a nonprofit health entity may not take effect until the later of: (1) 90 calendar days after the date the determination is made; or (2) the last day of the legislative session that begins after the date the determination is made; and
- [SB 592](#), changing the terms and conditions relating to the acquisition of CareFirst.

Modifying the regulatory scheme for CareFirst as a nonprofit health services plan, provisions of [HB 1207](#) include changing the plan's board composition, term limits, and compensation to take effect upon: (1) a determination by the Insurance Commission or an Act of the General Assembly that the application for acquisition filed on January 11, 2002 by CareFirst of Maryland, Inc. is denied; or (2) termination by either party of the

proposed acquisition agreement between CareFirst, Inc. and WellPoint Health Networks, Inc. The remaining provisions take effect June 1, 2002. [HB 1207](#) was heard by a Senate committee at mid-week.

[HB 1311](#), an emergency bill, requires a nonprofit health service plan that operates under, uses, or displays a Blue Cross or Blue Shield trademark or service mark registered with the Secretary of State or the U.S. Patent and Trademark Office to be organized and operated as a private nonprofit corporation and comply with the provisions of the Maryland Insurance Article relating to nonprofit health service plans. This measure was before a Senate committee this week.

[SB 411](#) is moving toward final passage. This proposal requires the Insurance Commissioner, in consultation with the Legislative Auditor, to contract by August 1, 2002 with an independent consultant that has expertise in health care economics to perform a five-year retrospective financial audit to determine the value of public benefits received by certain nonprofit health service plans in the State.

As passed by the Senate, [SB 623](#) establishes a State prescription drug control spending program that includes preferred drug lists to be utilized by the Medicaid program and by the State employees' prescription drug plan. The bill was scheduled for a hearing on Friday afternoon.

HOUSING

Receiving an unfavorable report from committee, [HB 1154](#), would have amended the Lead Paint Poisoning Prevention Program in the Maryland Department of the Environment (MDE) by expanding the requirements for owners of affected properties, requiring lead reduction by an owner that receives a lead-hazard violation notice, expanding the existing rental subsidy to owner-occupied properties, requiring inspections to include lead-contaminated dust testing, and mandating that procedures and standards be based on federal guidelines.

SPORTS AND GAMING

The legislature granted final passage to [HB 69](#) regarding riparian rights of owners of property adjacent to tidal and nontidal waters of the Potomac River in Maryland, Virginia, and West Virginia. The companion bill, [SB 18](#), was amended in the House and returned to the Senate.

Final approval was also given to a 50-cent increase in Maryland fishing licenses. [SB 813](#) also establishes a nonresident short-term license valid for 3 days. The companion bill, [HB 1149](#), was amended in the Senate returned to the House.

The Senate passed [HB 9](#), which expands the deer hunting firearms season to at least 21 days including the first Sunday of the season. After Senate amendments exempted additional counties from Sunday hunting, only Allegany, Calvert, Charles, Dorchester, Garrett, St. Mary's, and Washington counties will allow Sunday hunting. The bill now returns to the House for reconsideration.

After passing the House, the Black Bear Management Permit Program ([HB 10](#)) was rejected by a Senate committee.

TRANSPORTATION

Measures that provide additional restrictions and penalties for drunk drivers are moving toward resolution. [SB 352](#), with House amendments, increases the penalties for repeat drunk driving offenders and increases the use of the Ignition Interlock Program. The companion measure, [HB 4](#) is under consideration in the Senate.

As finally approved, [SB 21/HB 3](#) prohibit open alcoholic beverage containers in passenger areas of motor vehicles. Another open container provision ([SB 23](#)) was not successful.

[HB 1061](#), which is pending in a Senate committee, provides that a court may prohibit a person from operating a motor vehicle that is not equipped with an ignition interlock system for up to 5 years, if the person committed specified alcohol-related offenses such as homicide by a motor vehicle or vessel.

[HB 47](#) (John's Law) is also pending in a Senate committee; similar legislation, [SB 389](#), was killed by that committee earlier this session. John's law prohibits a person who is arrested for alcohol and/or drug-related offenses from driving a motor vehicle within 12 hours after the arrest.

Drunk and drugged driving measures that were not successful this session include:

- [SB 24](#), which would have suspended for 1 year the driver's license of a person who was convicted of a second or subsequent alcohol and/or drug related driving offense and would have required a mandatory impoundment or immobilization of a vehicle used in the commission of such an offense under certain circumstances;
- [SB 570](#), which would have altered the definition of "ignition interlock system" to include a requirement that the systems be capable of periodically testing the blood alcohol level of the driver of a motor vehicle while the motor vehicle was in use;
- [HB 60](#), which would have required law enforcement agencies to arrange for the removal and impoundment of a vehicle driven by a person arrested for operating a motor vehicle while under the influence of alcohol or impaired by alcohol or drugs;
- [HB 581](#), which would have increased the period of suspension of a driver's license for the licensee's refusal to submit to a test of blood or breath for alcohol and/or drugs;
- [SB 638](#), which would have raised the penalties for "super drunk" drivers and allowed restrictive licenses to be issued under certain circumstances, if the individual used the Ignition Interlock System; and
- [HB 818](#), which would have made a number of substantive changes to various provisions of law dealing with alcohol and drug-related driving offenses.

[HB 256](#), which has attained final passage, establishes felonies for a person involved in a vehicular accident who leaves the scene of an accident ("hit and run") that results in serious bodily injury or death. The bill also establishes increased maximum terms of imprisonment and fines for hit and run felony convictions for serious bodily injury and death. The companion measure, [SB 345](#), is pending in a House committee.

A bill ([HB 428](#)), which would have increased the penalties for commercial vehicle drivers or motor

carriers convicted of safety violations in accidents that caused serious injury or death to another person, was killed by a Senate committee.

The legislature agreed to a resolution ([HJ 10](#)) urging the Governor to instruct the Secretary of the Department of Transportation to restart and bring to a conclusion the environmental impact statement process to study the Intercounty Connector (ICC), a limited-access, east-west highway to facilitate access between Montgomery and Prince Georges's Counties, the Greater Baltimore area, and other locations throughout the State of Maryland. The companion measure [SJ 8](#) has moved to the House floor.

Bill status was current as of 4:30 p.m. on Friday, April 5, 2002.
