



The Legislative Wrap-Up

Library and Information Services, Department of Legislative Services

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BILL INTRODUCTIONS

The 2003 session bill counts have reached 123 in the Senate and 112 for the House.

COURTS AND CIVIL PROCEEDINGS

To gain eligibility to practice law in the State, bar applicants in Maryland currently pay a bar examination fee of \$150. [HB 56](#) would allow the Court of Appeals to more than double the fee to \$325. Testimony will be heard on the bill early next month.

CRIMINAL MATTERS AND CORRECTIONS

A University of Maryland study of the State's death penalty sentencing system concluded in a report issued last month that there are racial and geographical disparities in the use of the death penalty in Maryland. [SB 12/HB 16](#) seek to extend the death penalty moratorium instituted by former Governor Glendening last May, by prohibiting executions until the General Assembly takes a number of steps. The legislature must review the report, make recommendations based on the report, evaluate the progress of the implementation of its recommendations, and find that the recommendations have been fully implemented. At that time, the bill states that it is the intent of the legislature to repeal the prohibition.

EDUCATION

Two bills authorizing charter schools in Maryland have been introduced. [HB 11](#) and companion bill [SB 5](#) allow county boards of education to grant charters for public charter schools. An application to establish a public charter school may be submitted by a staff of a public school, the parents or guardians of public school students, a public institution of higher education, or a combination of all three. A county board may not grant a charter to a private school, a parochial school, or a home school.

[SB 56](#) allows an honorably discharged veteran to apply for a high school diploma if the individual withdrew from high school in the junior or senior year to serve in the military in World War II. Current law allows veterans who withdrew in their senior year to apply for a diploma.

[SB 32](#) allows a child to attend a public school in a county other than his domicile if the child lives with a relative who provides kinship care 24 hours a day, 7 days a week due to a specified family hardship.

[HB 45](#) prohibits State colleges and universities from establishing new programs until the Secretary of the Higher Education Commission determines that 50% or more of the State's teaching, nursing, or pharmacy workforce graduated from an institution in the State.

ENVIRONMENTAL MATTERS

Legislation has been introduced that creates a pilot grant program to assist residential well owners with the costs of filtration systems for their radium-contaminated wells. The program created by [HB 39](#) would remain in effect for 3 years with implementation subject to the availability of funding.

FISCAL MATTERS

Operating Budget

Governor Ehrlich's proposed Budget Bill ([HB40/SB55](#)) increases spending over fiscal year 2003 by 1.8% and is \$35 million under the Spending Affordability Committee recommended guidelines. The budget covers the next ensuing fiscal year, which runs from July 1 to June 30, as well as any deficiencies arising in the current fiscal year. The total proposed appropriations in the budget may not exceed the total estimated revenues. The General Assembly may neither increase nor transfer funds from one program to another for the executive agencies. Consequently, the legislature's role in the budget is limited to reducing or limiting the amount requested by the Governor for the executive branch.

Once the budget is passed by the General Assembly, the signature of the Governor is not required to enact it, and the budget cannot be vetoed.

Governor Ehrlich's proposal to eliminate the deficit for the current fiscal year 2003 budget centers on reducing expenditures. Reductions include decreasing funding for higher education (\$45.5 million), striking the bonus for State employees (\$28.8 million), eliminating 945 authorized State positions, and transferring money to the General Fund including \$150 million from the Transportation Trust Fund and \$5 million from the 911 Fund.

With revenues soft, the Budget Bill for fiscal year 2004 balances the State budget by raising \$395 million from slot machines and by transferring \$323.9 million from other funds to the State's General Fund. Transfers include \$102.5 million from the local governments' share of highway funds and \$55.6 million from transfer taxes that would have been used for Program Open Space. \$150 million will also be taken from the Transportation Trust Fund, above the \$150 million earmarked for 2003. The Budget Bill assumes no general tax increases.

Highlights of the Budget Bill include:

- \$242.1 million in increased aid to education, thus fully funding the Thornton Commission recommendations with aid for elementary and secondary education totaling \$3 billion;
- \$5 million for nonpublic-school textbook aid;
- \$325 million in increased funds for Medical Assistance, for a total of \$3.5 billion;
- \$37 million in increased support for mental health community services for fiscal year 2004, for a total of \$523.6 million, plus \$60 million in deficiency appropriations for fiscal year 2003 and another \$1 million for treatment of juveniles under the care of the Department of Juvenile Justice;
- \$38 million in increased aid for community services for the developmentally disabled, for a total of \$491.5 million; and
- \$3.2 billion for transportation programs, a decrease of \$11 million with reductions that include a \$4 million deferral of a portion of the transit initiative.

The Maryland Constitution requires that the General Assembly pass the Budget Bill by the 83rd day, which is March 31 this year, or the Governor must proclaim an extended session if the Budget Bill does not pass by the 90th day. During an extended session, the General Assembly may deal only with the Budget Bill and with the costs of the extended session. 1992 was the last time the General Assembly did not pass the budget by the 90th day, requiring an extended session.

Capital Budget

The Governor's Capital Budget bill was introduced today. The bill is usually considered synonymous with the "consolidated capital bond bill," which finances the majority of the State's capital programs, as well as various bond bills sponsored by individual legislators. The bill sets forth the amount of State debt to be created and details the amount to be allocated for each proposed capital project. The State's overall capital program includes many items: State facilities; State grants for local facilities such as schools, community colleges, and jails; State grants for providers of services such as community health facilities and day care, elderly, and juvenile centers; and State grants for economic development and housing programs, just to name a few.

The Capital Debt Affordability Committee annually recommends the maximum amount of general obligation debt; the Governor and the General Assembly usually honor this recommendation. However, unlike the operating budget, the General Assembly may delete projects proposed by the Governor, increase or decrease the amounts allocated for specific purposes of a project, or add specific projects and dollar amounts. The Governor has veto power or may exercise line-item veto of this bill.

SPORTS AND GAMING

HB 78 allows the operation of video lottery facilities or slot machines under the regulation of the State Lottery Commission. The Commission is directed to issue up to four licenses for the establishment of facilities for slot machines to holders of racetrack licenses. The bill contains very specific requirements that applicants and licensees must meet and outlines the authority of the Lottery Commission to issue, deny, suspend or revoke licenses or reprimand or fine licensees. Half of the net proceeds from income generated by the slot machines must be distributed to the Education Trust Fund established by the bill. Other proceeds fund such items

as grants to the counties where the slots facilities are located, capital improvements at racetracks, and the Purse Dedication Account also established by the bill. In addition, annual fees applied to each slot machine are credited to the Compulsive Gambling Fund in the Department of Health and Mental Hygiene. The bill also provides for a special election in those counties where voters petition to have a resolution to adopt slot machines brought to ballot. [HB 78](#) is one of a number of expected bills addressing slot machines this session.

UTILITIES

A hearing will be held next week on a measure that requires the Public Service Commission (PSC) to create and operate by January 1, 2004 a database of residential telephone subscribers in the State who choose not to receive telephone solicitations. [SB3](#) requires telemarketers to purchase the latest updated version of the database and to refrain from soliciting telephone numbers listed in the database. A person receiving a telephone solicitation in violation of the bill may bring an action against the person making or causing the telephone solicitation in order to recover reasonable attorneys' fees and the greater of \$1,000 or actual damages.

A violation of the bill is deemed an unfair and deceptive trade practice and, if the violation involves a solicitation offering credit services, it is also a violation of the Maryland Credit Services Business Act. The bill does not apply to telephone solicitations that are made in response to requests or inquiries by residential subscribers or made with permission from a residential subscriber. Other exceptions include solicitations made on behalf of a charitable organization, those made to solicit the expression of ideas, opinions, or votes, or those made to a business.

NEXT WEEK

A number of once-a-session events are on next week's legislative agenda:

- State of the State address (Noon, Wednesday, January 29) - Governor Ehrlich's first formal address to a joint meeting of the legislature will be held in the House chamber;
- Special Joint Legislative Committee to Consider Candidates for the Office of Treasurer (5:00 pm,

Thursday, January 30) – The committee, chaired by Senator Thomas M. Middleton and Delegate Adrienne A. Jones, will hold a public hearing in the Joint Hearing Room to conduct interviews for those who have applied to become the State Treasurer; and

- Election of the State Treasurer (11:30 am, Friday, January 31) – The Senate and House are charged by the Maryland Constitution to elect the Treasurer by joint ballot during the first session of the four-year term, a majority of the combined votes being necessary to win. Maryland is one of four states whose legislature selects the State Treasurer.

The General Assembly also elects a successor for the remainder of the four-year term in the event of the resignation of the Treasurer. The current Treasurer, Nancy K. Kopp, was thus elected by the legislature in 2002 when Richard N. Dixon, first elected in 1996, resigned. Both Kopp and Dixon are former member of the House of Delegates.

The State Treasurer has the general responsibility to manage and disburse State funds and is the custodian of all stocks, bonds, and other investments of the State and of all security and collateral pledged to the State. The Office administers the State's insurance program and handles all details relating to the issuance of the general obligation of the State. The Treasurer also serves with the Governor and the Comptroller on the Board of Public Works, a body with vast executive authority to supervise the fiscal affairs of the State, including management of the expenditure of funds approved by the legislature in the annual budget. In general, provisions relating to the Office of the Treasurer may be found in Articles I, III, V, VI, and XII of the Maryland Constitution, Title 5 of the State Government Article, and Titles 2 and 6 through 9 of the State Finance and Procurement Article.