



# The Legislative Wrap-Up

Library and Information Services, Department of Legislative Services

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## CLOSING ACTIONS

By Friday, April 8, over 300 bills had passed both chambers, out of a total of 2,353 introductions (998 Senate bills and 1,355 House bills). At this point in any session, legislation on track to pass is usually under committee consideration in the opposite chamber or on the appropriate chamber floor waiting for action either through third reading passage or conference committee resolution. Passage requires that both chambers agree to exactly the same language or the differences must be resolved. Legislation that has not moved out of the chamber of origin usually has an uphill battle to gain final approval by adjournment *sine die*, which this year falls at midnight on Monday, April 11.

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## COURTS AND CIVIL PROCEEDINGS

### *Divorce*

[HB 402](#) (passed) reduces the period of time the parties in a divorce action must have lived separate and apart without cohabitation and without interruption before filing for absolute divorce from two years to 12 months and repeals existing law concerning divorce on the grounds of voluntary separation.

### *Protection Orders*

In current law, the maximum term of a final peace order is six months. [HB 667](#) (passed) allows a judge to extend the term of a final peace order up to six months beyond the term specified in the order, after notice and hearing requirements are met.

[HB 407](#) (passed) allows an interim, temporary, or final protective order to award temporary possession of any pet of a person eligible for relief or a respondent.

The Senate amended and passed [HB 1018](#) to expand the relief available in a final protective order by allowing a judge to order the respondent to remain a specified distance away from the residence, place of employment, school, or temporary residence of a person eligible for relief.

[SB 653/HB 416](#) (both failed) would have expanded the definition of abuse as it applies to petitions for protective

orders to include harassment, trespassing, and the malicious destruction of property, making the acts for which a protective order can be issued the same as the underlying acts for a peace order. The legislation received unfavorable reports in both Senate and House committees.

### *Discrimination*

[HB 285](#), as passed by the House, expands the remedies available for discrimination by a place of public accommodation and authorizes a complainant or the Human Relations Commission (HRC) to bring a civil action alleging discrimination by a place of public accommodation under certain circumstances. The companion bill, [SB 642](#), was recommitted to a Senate committee after passing a preliminary Senate floor vote in an amended version that calls for a study of the impact of expanding the authority of the HRC to impose higher penalties or award additional remedies with respect to discrimination by places of public accommodation and the impact of imposing a cap on attorney fees related to those discriminatory acts.

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## CRIMES, CORRECTIONS, AND PUBLIC SAFETY

### *Guns*

Administration bill [SB 174](#) passed in the Senate, expanding the current misdemeanor prohibition against the use of a handgun or concealable antique firearm in the commission of a crime of violence or felony to apply to any —ifearm,” without regard to its capability of being concealed. As passed in the House, [HB 241](#) expands prohibitions and restrictions against the use and possession of firearms, including the provisions of [SB 174](#) as passed in the Senate. [SB 174](#) passed in the House with amendments to mirror the House version of [HB 241](#); [HB 241](#) passed in the Senate with amendments to mirror the Senate version of [SB 174](#). Conference committees have been appointed to resolve the differences.

Defeated in a Senate committee, [HB 730](#) (failed) would have established a Task Force to Study Access of Individuals with Mental Illness to Regulated Firearms.

### *Child Neglect*

Administration bills [SB 178/HB 162](#) (both passed) establish the misdemeanor of child neglect, with a maximum penalty of five years in jail and a \$5,000 fine. Neglect is defined as the intentional failure to provide necessary assistance and resources for the physical needs or mental health of a minor that creates a substantial risk of harm to the minor's physical health or a substantial risk of mental injury to the minor, but not when the failure is due solely to a lack of financial resources or homelessness.

### *Sexual Offenses*

[SB 196](#) increases the statute of limitations from one year to three years for the fourth degree sexual offense of engaging in sexual contact with a minor without the minor's consent. The bill was heard in a House committee this week.

### *Human Trafficking*

[SB 299/HB 345](#) (both passed) add human trafficking to the list of crimes for which evidence may be gathered during a criminal investigation through the interception of oral, wire, or electronic communications.

### *Parole and Probation*

[HB 919](#) (passed) requires the Department of Public Safety and Correctional Services to develop by October 1, 2012, a pilot program in two counties that creates a system of graduated administrative sanctions for violations of conditions of parole by those released from the Division of Correction, with the aim of returning fewer technical violators to prison. The Senate amended the companion bill, [SB 801](#), to mirror [HB 919](#) and passed it.

### *Juvenile Services*

[SB 62](#) (passed) authorizes the Maryland State Department of Education (MSDE) and the Department of Juvenile Services (DJS) to share with each other education records of juveniles receiving MSDE educational services in a DJS facility when necessary to ensure the appropriate delivery of services for juvenile services educational programs.

The House gave preliminary approval to [SB 200](#), which requires DJS to report annually to the General Assembly on recidivism rates of children committed to DJS for placement in residential care. The report must include data that is broken down by region and by individual detention or treatment facility as well as totals for all committed children.

### *Animal Welfare*

[SB 115/HB 227](#) (both passed) authorize a court, as a condition of probation, to prohibit a defendant convicted of aggravated cruelty to an animal or abuse or neglect of an animal from owning, possessing, or residing with an animal.

The Senate passed [SB 639](#), which establishes a Task Force on the Establishment of a Statewide Spay/Neuter Fund assigned to review data on successful local spay/neuter programs and the unmet need for these services and submit a report by January 1, 2012, regarding the establishment of a spay/neuter fund that best meets the needs of the State. The bill is no longer identical to the companion bill, [HB 339](#), which passed in the House and awaits Senate action.

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## **ECONOMIC AND BUSINESS ISSUES**

### *Public Utilities*

Successful legislation regarding alternative energy includes [SB 271/HB 275](#) (passed) that expand the sources of energy that are available for net energy metering. Those sources now include a closed conduit hydroelectric generating facility that must be owned by a municipality or a public water authority. [HB 597](#) (passed) requires the Public Service Commission (PSC) to educate consumers about electric supply options. To increase awareness about customer choice, the PSC must dedicate a page on their website to customer choice and develop and air public service announcements. [SB 244](#), the Senate companion, is moving toward final passage.

Several measures concerning various aspects of public utility service failed or have not progressed this session. Among the topics are:

- Service quality and reliability—[SB 749/HB 1171](#), [SB 804](#), and [SB 341](#) (all failed) sought to improve electric and/or gas company service. [HB 1110](#), requiring the PSC to initiate a proceeding to determine whether Pepco has abandoned its franchise as an electric company in the State, has not moved from its original chamber;
- Consumer accounts—[SB 704](#) (failed) would have required electric and gas companies to supply competitor suppliers with certain customer account information, and [HB 1080](#) (failed) would have made changes to electric customer supply contracts;
- Alternative energy—[HB 658](#) (failed) would have enabled the PSC to authorize utilities to operate as sustainable energy utilities (SEUs), and would have enabled SEUs to provide their energy products

directly to residential property owners. [SB 715/HB 1123](#) (both failed) would have increased the amount of solar power renewable energy credits purchased by electricity suppliers. Bills regarding construction of generating stations producing energy from wind, ([SB 314](#)) and regarding grants for individuals for acquiring and installing biomass heating systems ([HB 829](#)) have not moved out of committee;

- Energy consumption disclosure—[SB 622](#) (failed) would have required energy and gas companies to maintain energy consumption records for nonresidential retail customers and to upload the records to the U.S. Environmental Protection Agency's (EPA) online Portfolio Manager. Certain State buildings would have been benchmarked annually against the EPA Portfolio Manager, and that information made available to the public; and
- Rates—[SB 332/HB 856](#) (both failed) would have allowed gas companies to place a surcharge on customer bills to recover gas infrastructure replacement costs.

#### *Labor and Employment*

The Job Applicant Fairness Act, [SB 132/HB 87](#) (both passed), prohibits employers from using an individual's credit report or credit history as a basis to deny employment to a job applicant, discharge an employee, or determine compensation or terms of employment, with certain exceptions.

Bills that raise the State minimum wage have not progressed this session ([SB 716/HB 988](#)). Another measure, [SB 971](#), prohibiting an employer from requiring an employee or applicant for employment to disclose user names or passwords for specified Internet sites or web-based accounts, has also received no action.

[SB 660](#) (failed), regarding union membership, would have prohibited an employer from hiring or not hiring job applicants and/or continuing to hire employees based on membership or nonmembership in a labor organization, as well as prohibited employers from requiring employees to pay charges to a labor organization.

#### *Invest Maryland Program*

As amended and sent to the Senate, [HB 173](#) creates the Invest Maryland Program and a Venture Fund Authority within the Department of Business and Economic Development. The program allows certain companies to purchase credits against the insurance premium tax that will fund qualified investments in businesses in the State. As amended by the House, the bill authorizes \$100 million in tax credits, down from \$142 million. Its

companion bill, [SB 180](#), has not moved out of a Senate committee.

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## EDUCATION

### *Higher Education – For-Profit Institutions*

[SB 695](#) (passed) addresses the regulation of for-profit higher education institutions. The bill clarifies the scope of the Maryland Consumer Protection Act to include the unfair or deceptive offer for sale of course credit or other educational services; creates a Guaranty Fund to reimburse students at for-profit institutions of higher education who are entitled to a refund of tuition and fees due to the for-profit institution's breach of agreement or contract with the student or the State; and prohibits the payment of a commission, bonus, or other incentive payment based on success in securing enrollment.

### *Higher Education – Tuition Rates – Exemptions*

After lengthy discussion, the House amended and approved [SB 167](#). The bill exempts certain individuals who attended and graduated from Maryland high schools or received the equivalent of a high school diploma from paying out-of-state tuition at State community colleges. They must also meet certain income tax documentation requirements and, if applicable, selective service registration requirements. Those who are not permanent residents must promise to apply to become a permanent resident within 30 days after becoming eligible to do so. An individual who satisfies the requirements for the community college out-of-state tuition exemption and who also was awarded an associates degree or achieved 60 credits at a State community college is eligible to pay the in-state tuition rate at a State public senior higher education institution. Students who are granted this eligibility will still be considered out-of-state students so as not to be counted in the number of Maryland undergraduate students enrolled at a public senior higher education institution.

### *Financial Literacy Education*

[SB 262](#), initially introduced to create a financial literacy course requirement for graduation, was significantly amended by the Senate and is now in the House. The bill requires the State Board of Education to submit a report by December 31, 2011, regarding a plan for implementing a statewide financial literacy examination that each student must take as a condition for graduation. Students would not be required to pass the exam in order to graduate. Financial literacy education bills that have stalled in the legislative process include [HB 127](#) and [HB 224](#).

### *Youth Sports Programs – Concussions*

The Senate gave preliminary approval to [HB 858](#) that requires the Maryland State Department of Education, the Department of Health and Mental Hygiene, local boards of education, and other experts to develop and implement a program to provide concussion awareness to coaches, school personnel, and student athletes. Senate amendments require that certain information regarding head injuries be provided to individuals participating in youth sports and their parents or guardians, if applicable, and receipt of the information be acknowledged. [SB 771](#), a similar bill, had a hearing by a House committee recently.

### *Maryland Center for School Safety*

The Senate passed on second reading an amended [HB 79](#) to establish a Task Force to Study the Creation of a Maryland Center for School Safety. The Task Force must make recommendations concerning the establishment of a statewide center aimed at, among other mandates, developing procedures and programs, analyzing safety data, maintaining safety information, and training for various safety issues within State schools. The companion bill, [SB 772](#), remains in a House committee.

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## ELECTIONS AND ETHICS

### *Online Voter Registration System*

Discussed on the Senate floor and passed this week, [SB 806](#) authorizes the State Board of Elections (SBE) to allow an individual to electronically apply to become a registered voter or change the individual's name, address, or party affiliation. Studies show that online voter registration has been effective in Arizona and Washington. The original House companion bill, [HB 740](#), passed that chamber, but remains in a Senate committee.

### *Military and Overseas Voter Empowerment Act (MOVE Act)*

To comply with the federal MOVE Act, [HB 671](#) (passed) shifts the Maryland gubernatorial primary election to the last Tuesday in June and moves the presidential primary election to the first Tuesday in April. Also, the Republican and Democratic National Committees recently adopted rule changes that prohibit states from holding their presidential primary elections and caucuses prior to the first Tuesday in March, with exceptions made for Iowa, New Hampshire, Nevada, and South Carolina to hold their primaries/caucuses in February.

## ENVIRONMENT, NATURAL RESOURCES, AND AGRICULTURE

### *Oysters and Shellfish Aquaculture*

A number of bills tighten and clarify the scope of the State's responsibilities related to aquaculture activities and specifically relate to the State's Oyster Restoration and Aquaculture Development Plan. Several of these measures have gained final approval and others are poised to pass:

- [SB 414](#) (passed) authorizes the Natural Resources Police officers to issue electronic citations and modify recreational and commercial fishing license hearing requirements. The bill also clarifies and expands the authority of the Department of Natural Resources (DNR) to conduct tidal fish license-related inspections (The companion bill, [HB 396](#), appears ready for Senate passage);
- [SB 159](#) (passed) addresses issues surrounding oyster poaching. The bill revokes a license to catch oysters for anyone caught taking oysters unlawfully and creates a citation, hearing, license revocation, and appeals process (The companion bill, [HB 273](#), passed a preliminary Senate vote);
- [SB 635](#) (passed) provides for the revocation of a license for knowingly and unlawfully taking striped bass or crabs and requires adoption of regulations that establish grounds for the revocation and an appeals process (The companion bill, [HB 1154](#), is close to passage in the Senate);
- [SB 655](#) (passed) establish enhanced penalties for a person who commits a commercial fisheries violation while the person's commercial fishing license or authorization is suspended or revoked or who engages in commercial fishing activities without an appropriate license or authorization (The companion bill, [HB 1225](#), is close to Senate passage);
- [HB 111](#) (passed) authorizes DNR, in consultation with the Tidal Fisheries Advisory Commission and the Sport Fisheries Advisory Commission, to adopt regulations to define and govern the use of recreational and specific commercial fishing gear;
- [HB 966](#) (passed) addresses restricted waters for shellfish harvesting. The bill sets specific criteria that the Department of the Environment (MDE) must use to test waters of the State used for shellfish production and requires MDE, by December 31, 2011, to reconsider the designation of waters that are currently restricted from shellfish harvesting;

- [HB 1240](#), as passed by the House and as approved by a Senate committee, expands to all counties the authority to regulate harvesting seafood and operating a seafood business.
- [HB 208](#) (passed) authorizes aquaculture on barren bottom located in an oyster sanctuary and bars out-of-state corporations from obtaining aquaculture leases, among other provisions. DNR estimates the bill effectuates a 20% increase in leasable acreage in the bay by removing existing sanctuary leasing restrictions on tens of thousands of acres within oyster sanctuaries;
- [SB 847](#) (passed) consolidates State aquaculture activities within DNR (The companion bill, [HB 1053](#), has passed the Senate on second reading);

One of the bills related to harvesting oysters, [HB 1249](#) (failed), was not successful. It would have identified areas of the South River where hand tongs could be used.

#### *Hunting and Fishing – Members of the Armed Forces*

The General Assembly agreed to allow any person who is serving in the armed forces and has a service-connected disability to hunt on public property without a hunting license ([SB 763](#), passed). Another successful bill authorizes DNR to issue an annual exemption to a government entity or a nonprofit organization to take individuals with physical or mental disabilities who are serving or have served in the armed forces fishing in waters of the State ([SB 188](#), passed)

#### *Septic and Sewage*

[SB 372](#) (passed) requires MDE to evaluate and rank nitrogen removal technologies for septic systems, to advise local governments and citizens of approved technologies that qualify for funding under the Bay Restoration Fund (BRF) and to post the information on the department's website. The companion bill, [HB 347](#), is on second reading in the Senate.

[HB 57](#), as passed by the House, expands the uses of the Septics Account of the BRF to include providing grants or loans for connecting a property served by a septic system to an existing municipal wastewater facility with enhanced nutrient removal level treatment. [SB 539](#), the companion bill, is in the House.

[HB 24](#) (failed) would have required the Department of Agriculture to establish criteria for the timing of the winter application of sewage sludge that are the same as or substantially similar to the criteria adopted for the timing of the winter application of animal manure.

#### *Phosphorus in Dishwasher Detergent*

[SB 320](#) (passed) extend the date after which detergents used in commercial dishwashers may not contain more than 0.5% phosphorus from July 1, 2010, to July 1, 2013. [SB 751](#), which creates a fine for a second violation of provisions related to household dishwasher detergents, was amended in a House committee. [HB 53](#), the companion, appears to be close to Senate passage.

#### *Disposable Bags*

[HB 661](#) (failed) would have authorized Prince George's County to impose a fee for the use of disposable plastic bags. The crossfiled bill, [SB 721](#), remains in the House. [SB 602/HB 1034](#) and [HB 341](#) remain in their original houses.

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## FINANCIAL INSTITUTIONS AND COMMERCIAL LAW

#### *Lend Local Act of 2011*

[HB 619](#) (failed) received an unfavorable House committee vote. The legislation would have required the State Treasurer to consider whether a financial institution is incorporated under the laws of the State or operating in the State with total assets of less than \$5 billion when designating a financial institution for banking services or as a depository for the State.

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## FISCAL MATTERS

#### *State Operating Budget*

[HB 70](#) passed the General Assembly and is now law. On April 8, the Senate and the House accepted the Budget Bill conference committee report and subsequently passed the bill. The Governor does not sign the Budget Bill and it becomes effective on the day it passes both chambers.

As enacted by the General Assembly, the \$34.1 billion State operating budget contains reductions of \$616 million, including \$319.8 million in reductions that are contingent upon the enactment of [HB 72](#), the Budget Reconciliation and Financing Act of 2011 (BRFA). The General Assembly reduced the State's general fund by \$77.7 million, in addition to the Governor's proposal. As enacted, the budget and the BRFA together reduce the State's structural deficit by 42%.

The conference committee amendments that reconciled the differences between the Senate and House versions of the budget addressed:

- State employees—receive a \$750 bonus, but have no furloughs;

- education funding—increases \$58.5 million higher than the amount originally proposed, with an additional \$18 million in education aid contingent on the passage of the alcohol sales tax bill, [SB 994](#);
- nonpublic school textbooks—appropriates \$4.4 million with no reduction from the Governor’s allowance;
- University System of Maryland—has language added withholding \$1 million until the University System of Maryland Board of Regents submits a study examining the advantages and disadvantages of a merger of the University of Maryland, College Park and the University of Maryland, Baltimore and requiring the Board to submit an outline of how the merger may be accomplished if it finds the merger to be feasible and appropriate;
- University System of Maryland Office—reduces the appropriation by \$4 million;
- Keeping Maryland Community Colleges Affordable Grant—restores the \$5 million reduction made by the Senate;
- Sustainable Communities Tax Credit—reduces the appropriation for the credit from \$10 million to \$9 million with the requirement that \$2 million may only be transferred for the Film Production Rebate Program contingent on the failure of [HB 1148](#) and [SB 672](#);
- Medicaid—reduces the appropriation by \$58.5 million in general funds including \$42.1 million which will be replaced with special funds;
- Chesapeake Bay and Atlantic Coastal Bays 2010 Trust Fund—appropriates \$23.5 million;
- Department of Assessments and Taxation—reduces the appropriation by \$34.8 million contingent upon BRFA language requiring the counties and Baltimore City to reimburse the State for 90% of the costs of assessing property; and
- Stem Cell Research—appropriates \$12.4 million.
- education aid—for fiscal 2012, only provides an additional grant to ensure that direct education aid to a county does not decrease more than 6.5% from the prior year contingent upon funding in the Budget Bill;
- motor vehicle dealer processing charge—increases from \$100 to \$200 for three fiscal years and then to \$300 thereafter, which raises approximately \$6 million for the Transportation Trust Fund in fiscal 2012;
- community college aid—modifies the percentage of public four-year per student funding starting in fiscal 2013;
- Seller Formula for Nonpublic Institutions of Higher Education—modifies the percentage of public four-year per student funding starting in fiscal 2013;
- Existing State employee pensions—requires existing employees in the Employees’ Pension System and the Teachers’ Pension System to contribute an additional 2% of their salary to the retirement system (5% to 7%), but continues their 1.8% multiplier. The retirement age and the number of years for normal retirement or early retirement do not change;
- new State employee pensions—requires those employed on or after July 1, 2011 to contribute 7% of their salaries to the retirement system for a 1.5% multiplier and will allow vesting after 10 years of service, instead of the five years for existing employees. The new employee retirement benefit will be calculated using the five consecutive years with the highest average salary. New employees will be able to receive a normal retirement benefit using the rule of 90, i.e. the sum of their age and years of service must equal at least 90 or more, or they may retire at age 65 with 10 years of creditable service. For early retirement they must be at least age 60 and have 15 years of service;

*Budget Reconciliation and Financing Act of 2011 (BRFA)*

The BRFA ([HB 72](#)) conference committee reported to the Senate and House, and then the bill passed both chambers. Among the major differences resolved by the conference committee are:

- public schools maintenance of effort—clarifies that no county can fund education aid below the local share of the foundation program;
- cost-of-living-adjustments (COLAs)—for all service credit earned by current and new employees hired on or after July 1, 2011, requires COLAs to be capped at 2.5% in years the State Retirement and Pension System (SRPS) achieves its assumed rate of return and capped at 1% in years when the SRPS does not achieve its assumed rate of return; and
- retiree prescription plan changes—requires retirees to pay increased co-pays of \$10 for generic drugs, \$25 for preferred brands, and \$40 for non-preferred drugs, an increase from \$5, \$10, and \$25 respectively. There is no deductible and no co-

insurance. The share of the premium increases from 20% to 25%, and the out-of-pocket cap increases from \$700 for retiree and spouse to \$1,500 for the retiree and \$2,000 for the retiree and spouse.

#### *The Maryland Consolidated Capital Bond Loan of 2011*

**HB 71** passed the House and passed the Senate with amendments. As passed by the House and under the Senate amendments, the bill authorizes \$947.5 million in State general obligation bonds of which \$925 million is new State debt, after reductions in prior authorized debt of \$22.5 million are taken into account. Unlike its authority with the Budget Bill, the General Assembly has the authority to increase authorizations for the capital bond bill and to add projects subject to the Governor's line item veto.

Among the major changes made by the House and the major changes proposed by the Senate committee amendments in the 2011 authorizations are:

- Rural Legacy Program—includes a reduction of \$5 million to \$9.1 million by the House and eliminated entirely by the Senate amendments;
- Oyster Habitat Restoration Projects—includes a \$1.5 million authorization added by the House and eliminated by the Senate amendments;
- Program Open Space—keeps the \$28.5 million authorization in the House version, but the Senate amendments propose reducing it to \$24 million;
- Maryland Agricultural Land Preservation Program—eliminates the \$4.4 million authorization by the Senate amendments;
- Community College Facilities Grant Program—reduces the authorization by \$2.7 million to \$58.1 million by the House, but the House preauthorized \$14.6 million for the 2012 session, an increase of \$3.9 million for next year. The Senate amendments keep these changes;
- Morgan State University—adds \$1.4 million by the House for the preliminary design of a new Jenkins Behavioral and Social Sciences Center which the Senate amendments keep;
- Public Library Capital Grant Program—reduces by \$4 million from \$5 million by the House with the authorization to \$5 million restored by the Senate amendments; and
- public school construction—makes no change in the House authorization amount for fiscal 2012 and the Senate amendments propose no changes to this amount.

#### *Income Tax – Tax Credit for Electric Vehicle Recharging Equipment*

The Senate passed **HB 163** (passed). As amended, the bill creates a tax credit for 20% of the cost of qualifying electric vehicle recharging equipment. The value of the credit may not exceed the lesser of \$400 or the State income tax imposed in the tax year. The Maryland Energy Administration (MEA) will administer the program and can award a maximum of \$400,000 in credits in tax year 2011, \$500,000 in tax year 2012, and \$600,000 in tax year 2013. In order to offset the reduction of revenues from the credit, the bill requires a transfer of \$400,000 from the Maryland Strategic Energy Investment Fund to the general fund in fiscal 2013, \$500,000 in fiscal 2014, and \$600,000 in fiscal 2015. The bill applies to tax years 2011 through 2013.

#### *Sales and Use Tax*

**SB 398/HB 502**(both passed), as amended, exempt from the State sales and use tax the sale of electricity generated by solar energy and residential wind equipment for use in residential property.

**HB 465** (failed) would have decreased the sales tax rate from 6% to 5%. **SB 675**, which makes the same decrease, is still in the original Senate committee.

#### *Property Tax*

**HB 463** passed the Senate with amendments that increase the maximum amount of property taxes a business may owe and continue to be eligible for a semiannual property tax payment schedule from \$50,000 to \$100,000.

**HB 576** (failed) would have reduced the percentage used to determine the Homestead Property Tax Credit for State property tax purposes from 10% to 5%.

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## **GAMING, RACING, AND SPORTS**

#### *Video Lottery Operations Licensees – Noninterference*

**HB 868** (passed) prohibits a video lottery operation licensee from interfering with, hindering, obstructing, impeding, or taking any action to delay the implementation or establishment of a video lottery facility by any other video lottery operation licensee or applicant. The emergency bill specifies that the Act shall be construed to apply only prospectively.

#### *Video Lottery Operation Licenses - Payoffs*

**HB 51** (failed) generated much discussion on the Senate floor this week and was recommitted to a Senate committee from the floor. The bill would have required a video lottery operation licensee to report to the State

Lottery Agency the name, date of birth, and amount of video lottery terminal payout received by an individual if the payout was made by check. The Lottery Agency must then have forwarded payout information to the Child Support Enforcement Administration for any individual in arrears for child support payments.

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## **HEALTH CARE AND HEALTH INSURANCE**

### *Health Insurance – Conformity with Federal Law*

**SB 183/HB 170** (both passed) alters State insurance law to conform to federal requirements under the —Affordable Care Act” and allows the Maryland Insurance Commissioner to enforce such requirements. The Administration bill also corrects a portion of Maryland’s Mental Health Parity Law to meet the requirements of the federal Mental Health Parity and Addiction Equity Act of 2008. The bill takes effect July 1, 2011, and applies to all group and individual health benefit plans for plan or policy years that begin on or after July 1, 2011.

### *Bisphenol-A (BPA)*

Identical legislation (**SB 151** and **HB 4**, both passed) dealing with the chemical BPA in infant formula containers passed both chambers. The legislation expands the existing prohibition on the use of BPA in child care articles. Specifically, on or after July 1, 2014, the State may not purchase—and an individual may not manufacture, knowingly sell, or distribute in commerce—infant formula in a container that contains BPA at a level of more than 0.5 parts per billion.

### *State Facilities and Residential Centers – Abuse*

This week, the Senate passed **HB 346**, altering the definition of —abuse” for purposes of certain reporting requirements related to State facilities and residential centers. The legislation specifies that —abuse” does not, for those purposes, include an action taken by an employee that complies with applicable State and federal laws and Department of Health and Mental Hygiene policies on the use of physical intervention. **SB 384**, the crossfiled legislation, passed in the House.

### *Decabrominated Diphenyl Ether (DecaDBE)*

**SB 221**, relating to an alteration of the current phase-out of decabrominated diphenyl ether (decaBDE) in specified products, passed the House earlier this week with amendments and is in a conference committee. Originally, the Senate bill added a permissible threshold level of 0.1% decaBDE by mass of the product as a whole. The House removed the language —product as a whole,” to have the bill apply to the mass of the product. A House conference committee has been appointed. The

original companion bill, **HB 54**, passed that body with amendments.

### *Direct Reimbursement – Ambulance Services*

**HB 83**, requiring health insurers, nonprofit health service plans, and health maintenance organizations to reimburse an ambulance service provider directly for certain covered services, passed the House. Amendments include provisions that indicate that an insured, subscriber, or an enrollee of certain health insurance carriers may not be liable to specified ambulance service providers for services provided under certain circumstances, among other protections.

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## **REAL PROPERTY, ESTATES, AND TRUSTS**

### *Condominiums and Homeowners Associations*

The House passed an amended **HB 1246**, which provides that, in the case of a foreclosure of a mortgage or deed of trust on a unit in a condominium or a lot in a homeowners association, a portion of the liens of the condominium or homeowners association for unpaid assessments has priority over the claim of the holder of a first mortgage or first deed of trust that is recorded on or after October 1, 2011. The portion of the liens of a condominium or homeowners association that has priority shall consist solely of no more than four months (or the equivalent of no more than four months) of unpaid regular assessments for common expenses, excluding interest, attorney’s fees and specified other sums, up to a maximum of \$1,200.

### *Property Markers*

**SB 191/HB 117** (both passed) increase the maximum penalty from \$500 to \$2,500 for willfully obliterating, damaging, or removing any property markers.

### *Foreclosure*

As a part of the State’s continuing response to the foreclosure crisis and the recent ruling by the Maryland Court of Appeals to assess documents for problems, the following bills address this issue:

- **SB 205/HB 366** (both passed) require that an affidavit accompanying an order to docket or a complaint to foreclose a mortgage or deed of trust on residential property state, if applicable, that the contents of the notice of intent (NOI) to foreclosure were accurate at the time the NOI was sent; and
- **SB 450/HB 412** (both passed) prohibit a court from accepting a lost note affidavit in lieu of a copy of the debt instrument in a foreclosure action on residential property, unless the affidavit contains specified information.

## STATE GOVERNMENT

### *Reemployment Earnings Limitation*

Retirees of the Employees' Retirement System, Employees' Pension System, Teachers' Retirement System, or Teachers' Pension System who are reemployed by the State must wait five years, rather than the nine years under current law, in order to be exempt from a reemployment earnings limitation. Within the five-year period, the earnings limitation will continue to apply (the reemployed retiree's total income may not exceed the retiree's annual final compensation at the time of retirement). Exceptions to the earnings limitation reduction include reemployed retirees who serve as elected officials; are reemployed as health care practitioners in specified medical institutions; or are reemployed as principals or teachers in underserved or underperforming schools, among others (HB 176, passed).

### *Commission on Maryland Cybersecurity Innovation and Excellence*

Maryland is the home of a number of federal entities involved with cybersecurity technology. However, while the source of cybersecurity spending traditionally has been from the federal government, some estimates show that the commercial market will ultimately surpass the public sector. Under SB 557/HB 665 (both passed), the Commission, with broad membership among many stakeholders, is to recommend strategic plans to promote innovation, attract private investment, and address recovery from cybersecurity attacks. The commission is also charged to clarify roles of State agencies and recommend a State agency to implement a pilot program. An interim report is due by January 2012, and a final report by September 1, 2014.

### *Buy in the United States*

HB 12 (passed) prohibits public employers (State agencies, counties and municipalities, school districts, and special districts in the State) from knowingly purchasing, furnishing, or requiring employees to purchase or acquire uniforms or safety equipment and protective accessories that are manufactured outside of the United States, subject to specified exemptions.

### *Minority Business Enterprise Program*

SB 120 (passed) extends the termination date of the State's Minority Business Enterprise (MBE) program from July 1, 2011, until July 1, 2012, and continues the provision that 25% of the total dollar value of each agency's procurement contracts be awarded to MBEs but make the 25% a goal. However, the bills repeal the specific minority subgoals of 7% to African American-

owned businesses and 10% to woman-owned businesses. Instead, guidelines are to be established that an agency must consider while determining whether to set subgoals for specific minority groups. The companion bill, HB 456, is on the Senate floor.

### *Home Care Providers – Collective Bargaining*

Two amended Administration bills (SB 181/HB 171) generated considerable floor discussion in both chambers this week. The bills codify collective bargaining rights for "independent home care providers" who participate in and are reimbursed under the Medicaid Waiver for Older Adults Program, the Medicaid Personal Care Program, the Living at Home Waiver Program, and the In-Home Aide Service Program. The Senate bill is now in the House. The House bill passed the Senate but with added language that clarifies that an independent home care provider who provides home care services only to an immediate family member is not required to pay a service fee.

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## TRANSPORTATION

### *Driver Licensing*

SB 2/HB 1017 (both passed) eliminate fees for Medal of Honor winners who are renewing a motor vehicle registration or a non-commercial driver's license.

### *Charging Electric Vehicles*

SB 179/HB 164 (both passed) require the Public Service Commission to establish a pilot program for charging electric vehicles and to report the results by February 1, 2015. The bills, as amended, permit the commission to consider additional pilot programs.

### *Vehicle Races and Speed Contests*

HB 105 (passed) authorizes a police officer to arrest without a warrant the driver in a highway speed contest that results in serious bodily injury to another person. Conviction earns a penalty of \$1,000 and/or one year in prison.

*Bill status is current as of 5:00 p.m. on April 8, 2011.*