The Governor will sign the Hurricane Isabel Disaster Relief Act on Monday, March 29, at 3:00 p.m. in the Governor’s Reception Room, Maryland State House. As amended and passed by the General Assembly, HB 3 provides low interest loans for people whose primary residences were damaged by Isabel and who have not received sufficient funds to repair the homes to make them habitable, as well as provides credit enhancements for private market loans. The bill also includes coverage for the repair or replacement of water and sewer systems, including septic systems.

Additional 2004 session bill signings will take place in the State House on the following dates: Tuesday, April 13, 2004, 10:00 to 12:00 noon (traditional Sine Die ceremony); Tuesday, April 27, 10:00 a.m. to 12:00 noon; Tuesday, May 11, 10:00 a.m. to 12:00 noon; and Wednesday, May 26, 10:00 a.m. to 12:00 noon.

BILLS SIGNING DATES

The Governor will sign the Hurricane Isabel Disaster Relief Act on Monday, March 29, at 3:00 p.m. in the Governor’s Reception Room, Maryland State House. As amended and passed by the General Assembly, HB 3 provides low interest loans for people whose primary residences were damaged by Isabel and who have not received sufficient funds to repair the homes to make them habitable, as well as provides credit enhancements for private market loans. The bill also includes coverage for the repair or replacement of water and sewer systems, including septic systems.

Additional 2004 session bill signings will take place in the State House on the following dates: Tuesday, April 13, 2004, 10:00 to 12:00 noon (traditional Sine Die ceremony); Tuesday, April 27, 10:00 a.m. to 12:00 noon; Tuesday, May 11, 10:00 a.m. to 12:00 noon; and Wednesday, May 26, 10:00 a.m. to 12:00 noon.

COURTS AND CIVIL PROCEEDINGS

The House passed HB 706 to increase funding received by the Maryland Legal Services Corporation (MLSC) through surcharges assessed in circuit court and District Court civil actions. MLSC finances organizations that provide civil legal services to indigents. As amended, the bill increases the surcharge from $10 to $20 per case in the circuit court and from $2 per case to $5 per summary ejectment case and $7 per case for all other civil cases in the District Court. The companion bill, SB 316, provides for larger increases and will have a House hearing next week.

A clarification and expansion of the law governing interstate child custody disputes (HB 400) passed the House. The Maryland Uniform Child Custody Jurisdiction and Enforcement Act addresses interstate enforcement of child custody orders, including visitation provisions. A Senate committee has not reported on the companion bill, SB 269.

Current Maryland law imposes a cap on noneconomic damages for personal injury actions arising after July 1, 1986. In 2002, the Court of Appeals removed damage caps from many asbestos-related personal injury cases by holding that, in a case resulting from exposure to asbestos, the cause of action arose on the date of the plaintiff’s last exposure to the asbestos, not when the disease first became symptomatic or was diagnosed. Testimony was heard in a House committee this week on HB 1346 that seeks to override the court’s decision by establishing that a cause of action for damages for personal injury in a latent disease or latent injury case arises on the earlier of the diagnosis or the manifestation of symptoms. The current cap on noneconomic damages for personal injury and wrongful death is $635,000.

Bills that failed in committee this week include:

- HB 1092 that would have established the status of “de facto custodian” and set out factors to be considered by a court when a person who has been the primary caregiver and financial supporter for a child seeks custody of the child; and

- SB 627 that would have provided a rebuttable presumption that the voluntariness of a confession is not affected by a delay of presentment to a court commissioner of up to 12 hours after arrest. It also would have provided that, if a confession is obtained from a defendant within 24 hours after arrest, any delay in presentment of the defendant before a judicial officer may not be given any greater weight by the court than any other factor examined in determining the voluntariness of the confession.

CRIMES, CORRECTIONS, AND PUBLIC SAFETY

A few days ago, the House approved HB 1242 to establish a Task Force to Study Criminal Offender Monitoring by Global Positioning Systems. In addition to investigating the possible uses of global positioning technology (GPT), the task force is to examine admissibility of evidence issues and conduct a feasibility study, including a cost-benefit analysis, of implementing a GPT program in the State. An interim report is due by
December, and a final report by December 2005. The companion bill, SB 783, was heard by a Senate committee this week.

Legislation to establish a Maryland Commission on Capital Punishment (SB 744) passed a final Senate floor vote, after an amendment was approved to remove the Lieutenant Governor from the list of Commission members. A final report is due by November 2005, and must include recommendations addressing racial, jurisdictional, and socioeconomic disparities in the application of capital punishment, the risk of innocent people being executed, evolving standards of decency regarding State executions, and a comparison of costs associated with death sentences and sentences of life without the possibility of parole. A preliminary report is due during the 2005 session.

An Administration proposal for a statewide diversion program for nonviolent drug offenders (HB 295) passed the House on Wednesday. Drug offenders identified as treatable are to be diverted from jail to drug treatment facilities, and their criminal charges would be placed on an inactive docket, with expungement possible after successful completion of the program. Alcohol and Drug Abuse Councils are to be created in each county to develop a local plan for meeting needs of the general public and the criminal justice system for drug and alcohol evaluation, prevention and treatment services, and to review and recommend for approval local grant applications for substance abuse treatment services. A Senate committee has not reported on the companion bill, SB 194.

The House passed HB 1099 to make the crime of child abuse in the first degree a crime of violence. This change would subject subsequent child abuse offenders to mandatory minimum sentences during which they are not eligible for parole, and would require offenders to serve more of their sentence before becoming eligible for parole.

Two weeks ago, the House passed HB 191, legislation to establish a Task Force to Study Identity Theft. This week the companion bill, SB 325, failed a Senate committee vote.

The House approved HB 613 to increase the penalties for the misdemeanor crimes of visual surveillance, with prurient intent and without consent, of a person in a private place and using a camera for deliberate surreptitious observation of a person inside a private residence. Maximum jail time is increased from six months to three years and the maximum fine increases from $1,000 to $2,500.

This week committee votes were negative on bills that would have prevented anyone other than the owner of a car from duplicating the car’s ignition key, except by duplicating another key (SB 342 and SB 719/HB 1131).

A House committee rejected the Unborn Victims of Violence Act (HB 802) that would have applied laws relating to murder, manslaughter, homicide, assault, reckless endangerment, life threatening injury by motor vehicle or vessel, and poisoning to an unborn child, defined as an unborn human being who is conceived but not yet completely born. The companion bill, SB 349, is still under discussion on the Senate floor after a favorable committee report was adopted.

---

**ECONOMIC AND BUSINESS ISSUES**

**Business**

The Senate amended and passed SB 839 that exempts bed and breakfast establishments with five, rather than eight, or fewer rooms for rent from food service regulations related to the installation of commercial grade kitchen equipment. The bill subjects any bed and breakfast that serves hot meals to regulations that govern food safety and now requires licensure. This week, the House heard commentary on the companion bill, HB 1468, amended the bill to concur with Senate changes, and passed the measure on third reading.

Also now on the House side, SB 323 requires recipients of assistance under the Economic Development Opportunities Program Fund and the Maryland Economic Development Assistance Authority and Fund to comply with certain minority business enterprise procurement goals under specified circumstances. The companion bill, HB 806, remains in committee.

The House amended and sent to the Senate HB 393 that increases the number of days and the frequency for which a winery special event permit may be issued. The bill now retains the current three-day length for an event, but allows three permits per year (not the current one per year) for use in the same political subdivision. A reduction in the required permit fee, from $500 to $10, was also added by the Senate to the companion bill, SB 27, now in the House.
Economic Development

Several bills dealing with economic development and business issues in Maryland advanced this week. A measure to establish a task force to study the automobile industry in Maryland to determine why there are so few minority-owned dealerships went to the Senate (HB 342).

Other legislation, (HB 966) naming a task force to study the dynamics of elderly and retiree migration into and out of Maryland, received preliminary approval on the House floor. The study will review the impact of tax policies, State and county expenditures on the elderly and retired, and benefits of the elderly and retired to State and local communities. A hearing for the companion bill, SB 122, is on the House schedule for next week.

Following passage by the Senate, administration legislation to expedite cleanup and reuse of contaminated properties is now in opposite chambers. SB 186/HB 294 make changes in the brownfields redevelopment program established in 1997 to clean up and redevelop abandoned or underutilized industrial or commercial properties that are contaminated by hazardous materials. The bills expand eligibility to properties contaminated with oil and to some sites under active enforcement.

Both houses deleted provisions that expanded eligibility to a portion of a property under investigation. Other provisions allow an expedited application process upon payment of a fee, require notices of all applications for brownfields status to be posted on the property, expand the Maryland Department of the Environment’s enforcement authority, and broaden eligibility of sites for financial assistance under the Brownfield Redevelopment Incentive Program. Similar legislation, SB 655, remains in committee.

The Senate agreed this week to promote the development of agricultural and resource-based industry in the State. SB 589 establishes a public corporation to provide financing in order to develop industries and markets, support commercialization of processes and technology, and alleviate the shortage of capital and credit available at affordable interest rates. The Senate removed the provision allowing the State Treasurer to lend start up-funds and specified that funding be provided through existing resources. Similar legislation, HB 1179, passed a first floor vote in the House on Friday.

A Senate committee rejected a measure (SB 214) that would have created a program to provide capital investment by the State Retirement and Pension System in qualified technology or bioscience businesses in the State.

Insurance

Now in the House with a hearing on tap for next week, SB 546 creates the office of People’s Insurance Counsel in the Maryland Insurance Administration. A special fund, collected from insurance providers, is to pay the operating costs of the new office. Appointed by the Governor for a three-year term, the Counsel is to represent consumers before the Insurance Commissioner and in proposed rate increases of 10% or higher, if the rate is determined to be excessive. The Counsel also is to conduct investigations and request the Commissioner to initiate proceedings to protect the interest of consumers.

Passing third reading on Friday, HB 999 requires a homeowner’s insurance company to send written notice to a policyholder if it intends to cancel or not renew a policy, to increase the premium, or to reduce coverage.

Senate committee action defeated several insurance bills this week that would have:

- created a pilot program for a mileage-based rating plan for automobile insurance (SB 691);
- required an automobile insurer to file the condition inspection guidelines that it uses in settling claims involving the total loss value of a passenger motor vehicle with the Insurance Commissioner (SB 735);
- allowed a consumer to ask the Insurance Commissioner to review a homeowner’s insurance premium amount under certain conditions (SB 805, HB 1326 withdrawn); and
- prohibited an insurer, who considers claims history in canceling or refusing to renew coverage, from considering an inquiry that does not result in a claim for benefits by a policyholder (SB 241).

Utilities

Moving to the Senate side this week, HB 1269 expands the net energy metering program to include wind electric generating facilities, as well as solar generating facilities.
The bill further expands net energy metering by removing the limitations that restrict it to single-family residences, schools, or institutions of postsecondary education.

Bills addressing competition in the electric industry did not make it out of committee. HB 311, unfavorable, would have established a task force to study the effect of restructuring the electric industry on residential customers and to identify ways to stimulate competition, and HB 744, withdrawn, would have required electric companies to provide “standard offer service” to residential electric customers after the expiration of rate caps and any settlement agreements.

EDUCATION

The House cleared and sent the Senate contentious legislation (HB 1171) that allows undocumented immigrants who attended and graduated from Maryland high schools to pay resident tuition at public institutions of higher education in Maryland.

Currently on a Senate committee’s plate, HB 302 prohibits a “person in a position of authority” from engaging in enumerated sexual activities with a minor who, at the time of the activities, is a student enrolled at a school where the person is employed. A person in a “position of authority” is specifically defined as someone who is at least 21 years old, is employed by a public or private preschool, elementary school, or secondary school, and because of the person’s position or occupation, exercises supervision over a minor who attends the school.

This week a House committee was very busy hearing testimony on a variety of bills tied to education and the State lottery, State standards, posting or reading of documents, community schools, and teacher tuition:

- HB 253, the Lottery for Schools Act of 2004, allocates 25% of State lottery proceeds after certain existing deductions, to local school systems based on full-time equivalent enrollment in the prior year. (Local school systems must use the State lottery proceeds for classroom staff and instructional materials);

- HB 771 requires the State Board of Education to provide an alternative means to demonstrate student attainment of State standards before the passage of a single examination or series of examinations is used to determine eligibility for graduation, and prohibits the State Board from establishing county-based high school diplomas and from providing a different type of diploma based on a student’s county of residence;

- HB 916 allows a teacher, administrator, or librarian to read or post in any school building copies or excerpts of specified national and historic writings and speeches. (No censorship based on the religious content of the materials is permitted in public schools and libraries);

- HB 1197 establishes an Interagency Task Force on Community Schools to explore community schools as a strategy for integrating State–funded and community-based grant-funded services and programs for children, adolescents, families, and communities; and

- HB 1275 proposes a tax credit to nonpublic school teachers of up to $750 of the graduate school tuition paid by the individual that is not otherwise reimbursed by the teacher’s employer during the year. Currently, public school teachers may receive a tax credit of 100% of unreimbursed graduate school tuition or $1,500, whichever is less.

At present, an individual who is 18 and is enrolled in secondary school is considered a minor and has the right to receive support and maintenance from both parents until the individual dies, marries, is emancipated, graduates from or is no longer enrolled in secondary school, or becomes 19, whichever comes first. Two bills dealing with this law failed:

- HB 980 would have provided that before granting a divorce, a court must require the parties to discuss the postsecondary educational expenses of each child of the parties; and

- HB 1059 would have provided that a person who is 18 and is enrolled in secondary school or full-time in a postsecondary education institution has the right to receive support and maintenance from both parents until the person becomes 23.

During the week, a number of other bills received unfavorable responses from committees:

- HB 630 would have altered the service obligation for the Maryland Teacher Scholarship from one year for each year of scholarship received to five years in a content or geographic shortage area, in a school that
receives Title I funds, or in a school identified for school improvement, reconstitution, or corrective action. (The companion bill, SB 266, failed a committee vote last week);

- HB 1164 would have allowed the recipient of a Maryland Teacher Scholarship to perform the required service obligation as a teacher in a nonpublic elementary or secondary school that holds a certificate of approval from the State Board of Education or is registered with the State Board. (The companion bill, SB 17, remains in committee);

- HB 759 would have defined “adequate education” as a level of student achievement consistent with the State’s constitutional responsibility to provide a thorough and efficient system of free public schools; and

- HB 761 would have reconstituted the State Board of Education by changing it from an appointed to an elected board and would have required the election of the State Superintendent of Schools as well.

In Senate committees this week, nay votes prevailed for:

- SB 455 that would have provided that a day when public schools are closed during a state of emergency, declared by the Governor, must be credited toward the required number of days that schools are in session during a school year; and

- SB 649 and SB 850 that would have prohibited the State Board of Education from requiring student service as a condition of graduation.

ELECTIONS AND ETHICS

Proposals (SB 393/HB 53) that are advancing originally required a voting system without a document ballot to produce a paper record of each vote cast and to make the record available to the voter for inspection, verification, and correction at the polling place. The voter-verified record then becomes the official record to be used in a recount. The Senate bill is on the Senate floor with amendments that require the Governor to allocate specified resources to implement the requirements. The House measure, as amended and reported to the House floor on Friday, now creates a task force to study the feasibility of implementing, on or before January 1, 2006, a voting verification system. The cost estimate to add a system to Maryland’s machines runs in the millions.

ENVIRONMENT, NATURAL RESOURCES, AND AGRICULTURE

The disposal of material dredged from the shipping channel of the Chesapeake Bay is the subject of several bills this session. HB 1263, defeated in committee, would have prohibited the use of dredged material to create new artificial islands in the Chesapeake Bay.

HB 1471, with no committee reported vote, creates a Dredge Material Disposal Alternatives Program within the Department of Business and Economic Development. SB 19, moot because of a committee’s rejection, would have required the Kent Island Citizens Oversight Committee to recommend to the Governor novel and innovative methods of minimizing the quantities of dredged material while sustaining maritime commerce in the port of Baltimore.

Bills that remove the 25-year termination provision for easements purchased by the Maryland Agricultural Land Preservation Foundation (MALPF) after October 1, 2004, moved to the opposite chamber. SB 327/HB 777 also clarify the termination request process for MALPF easements purchased before October 1, 2004. Testimony will be heard on SB 327 next Wednesday.

A Senate committee hearing is scheduled on April 1 for HB 136 that regulates the sale and disposal of products containing mercury.

FISCAL MATTERS

With the 83rd day (April 5th) Constitutional deadline for passage of the Budget Bill approaching, the House passed its fiscal package consisting of the Budget Bill (SB 125), the Budget Reconciliation and Financing Act (BRFA) of 2004 (SB 508), a business tax bill (HB 297), and a transportation funding bill (HB 1467), which is discussed under Transportation. The House revenue package will raise an estimated $1.1 billion in fiscal 2005.

The House passed the $23.8 billion Budget Bill, SB 125, on third reading with 113 amendments reducing the appropriations in the bill by $285.6 million, or $5.6 million more than the Senate reductions.
Among the House changes are amendments that:

- partially restore the requirement that counties receive the Electricity Generating Equipment Property Tax Grant by eliminating the contingent reduction at a cost of $26.2 million, although there will be no increase in the fiscal year appropriation for the counties;

- reduce aid to non-public colleges from the Senate’s $37.3 million appropriation to $32.5 million;

- increase the funding for the Hickey School education program from the Senate’s $17.7 million to $19.9 million;

- restore the $5 million reduced by the Senate for funding need-based aid in the Educational Excellence Awards program;

- restore $500,000 to the expansion of substance abuse treatment services as an alternative to incarceration which the Senate had reduced by $2.0 million;

- increase the pharmacy dispensing fees for prescription drugs covered by Medical Assistance, the Pharmacy Assistance Program, and the Children’s Health Program for persons outside of institutions; and

- change the 1.6% State employee cost-of-living-adjustment to a flat $752 per employee.

The Governor submitted a $13.1 million second supplemental amendment to the budget that includes $3 million in housing assistance for homeowners whose primary residence was damaged by Tropical Storm Isabel, as well as $4.5 million for juvenile services and facilities, and $3 million for emergency assistance payments distributed through the Transitional Emergency, Medical, and Housing Assistance program.

The Budget Bill now returns to the Senate for consideration of the House amendments. The bill is expected to go to a conference committee if the Senate rejects any or all of the House amendments and the House does not recede from its position.

After adopting extensive amendments, the House passed SB 508, the Budget Reconciliation and Financing Act of 2004. The bill raises $810.4 million in increased taxes and in other revenue changes. The House amendments:

- increase the sales tax rate from 5% to 6%, estimated to raise $549.7 million;

- impose the sales tax on real property management services, and tanning, massage, physical fitness, sauna, or steam bath facilities or services, estimated to raise $60.7 million;

- dedicate 16.67% of the sales tax revenue to the Education Trust Fund, estimated to be $592.1 million, and create this fund to offset the funding requirements of the Bridge to Excellence in Public Schools Act of 2002 (Thornton plan);

- delete the sales tax on snack food added in the Senate, estimated to cost $16.8 million;

- increase for five years the income tax to 6% on individuals with Maryland taxable income over $150,000 and on couples over $200,000, estimated to raise $294.2 million (for fiscal 2005 $290 million is to be used for State bond debt service);

- increase the refundable Maryland earned income tax credit from 20% to 25% over five years, estimated to cost $4.5 million during fiscal 2005;

- credit the 24% of corporate income tax revenues formerly allocated to the Transportation Trust Fund to the General Fund (for fiscal 2005 $60 million of this amount is to be used for State bond debt service);

- require the Governor to include $348 million in a General Fund appropriation for State bond debt service starting in the 2005 session and express the intent of the General Assembly that the State property tax rate be lowered from 13.2 cents to 5 cents starting July 1, 2004, estimated to cost $348 million and using income tax revenues as replacement revenues;

- credit all sales tax revenue from short-term rental vehicles to the Transportation Trust Fund rather than the 45% credited now;

- increase the vehicle titling tax rate from 5% to 6%, estimated to raise $145.6 million for the Transportation Trust Fund;
• transfer $255.3 million from other funds to the General Fund, making only minor changes to the Senate’s plan; and

• eliminate the fee increases on teacher certificates, lead-free rental unit reports, and the requirement that the Department on Health and Mental Hygiene increase fees to recover administrative costs.

As amended and passed by the House, HB 297, the business tax bill, authorizes the Comptroller to make allocations, apportionments, and distributions of income, deductions, credits, or allowances among two or more organizations under certain circumstances, and make other changes in determining Maryland corporate income. To determine Maryland taxable income under the bill, a corporation is required to add-back interest expenses or intangible expenses paid to related members, but the bill includes provisions to prevent double taxation.

The bill also provides a tax credit for a payee corporation filing a Maryland tax return equal to the income tax liability from the add-back for intangible expenses. Except for the settlement period provision found in SB 187, the House and Senate bills are identical.

**Capital Budget**

The Senate passed SB 191, the “Maryland Consolidated Capital Bond Loan of 2004,” with 42 amendments authorizing $628.3 million in borrowing, including $15.2 million in local projects. The General Assembly has the authority to add or increase items in bond bills, which it does not have with the Budget Bill. Final approval for the capital budget program must wait until the Budget Bill has passed. Among the amendments to SB 191 are changes that:

• reduce the funding for the GreenPrint Program from $5 million to $4 million;

• add $2.8 million for the Rural Legacy Program;

• increase funding for community college projects by $2.8 million to $38.9 million;

• add $1 million for the Maryland Technology Development Corporation; and

• add $7.5 million for hospitals including $4.3 million for the Prince George’s Hospital Center.

**FINANCIAL INSTITUTIONS AND COMMERCIAL LAW**

The Senate passed an amended Maryland Spam Deterrent Act (SB 604). Among the violations under the bill, a person may not conspire or knowingly use a computer to relay or retransmit multiple commercial e-mail messages with the intent to deceive or mislead recipients or an Internet service provider as to the message’s origin. The bill carries various criminal and civil penalties for violations. The Attorney General may institute specified civil actions or enforce criminal actions of the bill’s violations in court. The companion bill, HB 1320, was heard by a House committee last week.

House and Senate committees reviewed opposite chamber versions of bills (SB 172 and HB 455) that repeal a sunset provision for legislation enacted in 2000, regarding late fees for consumer contracts including a cap on the imposition of such fees.

The House passed a revised HB 2, the Maryland Telephone Consumer Act. Original language was deleted to establish a Maryland Do-Not-Call Registry if a federal do-not-call registry is not implemented. A violation of the National Do-Not-Call Registry is an unfair and deceptive trade practice under the State’s consumer protection law. As amended, the bill allows a consumer to bring an action to recover reasonable attorney’s fees and damages in the amount of $500 or actual damages whichever is greater. Similar legislation, SB 88, had a hearing in the House this week. Also at the committee level, delegates reviewed SB 173 that regulates the issuance of gift cards and gift certificates.

**GAMING, RACING, AND SPORTS**

Gaming bills on a House committee agenda drew lengthy testimony on Tuesday. Legislation related to the establishment of slots facilities includes:

• HB 818 that authorizes up to 11,500 slots at up to four horse racing tracks, provides for one-time application fees, creates the Education Trust Fund and other special funds, and continues the current
prohibition on additional forms of commercial gaming;

- HB 1089 that authorizes a maximum of 12,000 slots. (Each facility may not operate more than 3,000 machines and may also have casino table games. Licenses are to be competitively awarded based on the estimated net revenue that would be generated by the State. The governor is to negotiate a revenue sharing agreement with any neighboring states with slot machines);

- HB 1257 that authorizes up to 10,000 video terminals consisting of 5,000 slot machines and 5,000 keno terminals with a maximum of three locations with up to 1,500 slot machines each and with one license going to either Laurel Park or Pimlico; and

- HB 1497, a constitutional amendment, that allows the General Assembly to authorize expanded forms of gambling subject to restrictions that require a maximum of 13,000 slot machines, a maximum of six slot licenses, and licenses to only be authorized if the majority of the voters in a proposed county were in favor of the bill, which is contingent on the passage of HB 293, the Administration’s slot bill that will be before House committee members next Tuesday.

Other slots-related bills in committee hearings this week include:

- HB 722 that provides for the transfer of the name of the Preakness Stakes, copyrights, trademarks associated with the Preakness, along with the transfer of the Woodlawn Vase trophy to the State, if any form of gambling, other than pari-mutuel betting, is authorized for the Pimlico Race Course. (The companion bill, SB 734, failed in a Senate committee);

- HB 742 that repeals the geographic limitation on where slot machines may be owned and operated by eligible organizations. (Currently, certain nonprofit organizations in Caroline, Cecil, Dorchester, Kent, Queen Anne’s, Somerset, Talbot, and Wicomico counties may operate slot machines); and

- HB 921 that establishes a Maryland Gaming Commission as an independent unit of State government, incorporating under the commission the State Lottery Commission, Maryland Racing Commission, and Maryland Stadium Authority.

Still other bills before committee members related to the social issues connected to gambling include:

- HB 1201 that requires the Department of Health and Mental Hygiene to contract with an independent researcher to conduct a pathological and problem gambling study every five years. (The companion bill, SB 530, died in Senate committee); and

- HB 1013 that excludes from any licensed gaming facility a Maryland resident who owes child-support payments or past due taxes, receives Medicaid or similar public assistance, or has declared bankruptcy within the last five years. Any individuals whether residents or not who have been convicted of crimes involving moral turpitude or gambling, or who are career offenders must also be excluded.

HEALTH CARE AND HEALTH INSURANCE

This week, legislation stalled by unfavorable action includes:

- SB 351 that would have expanded parental notification by a physician prior to an unmarried minor having an abortion, with exceptions, received an unfavorable committee vote. (HB 621, an identical bill is still in a House committee);

- HB 1156, “The Women’s Health Protection Act,” that would have altered the definition of a free-standing ambulatory care facility to include a facility that provides abortion services was withdrawn. (The companion bill, SB 265, awaits action in a Senate committee); and

- SB 411 that would have established an Athletic Trainer Advisory Committee within the Board of Physicians to license and regulate athletic trainers who are not licensed and regulated under the Health Occupations Article was withdrawn. (The companion bill, HB 277, is still in a House committee.)

A Senate committee rejected the Governor’s medical malpractice initiative (SB 193) to lower noneconomic damages to $500,000. The companion bill, HB 287, and other proposals dealing with medical malpractice issues are still pending in both chambers’ committees.
The Legislative Wrap-Up

Passing the full Senate, SB 232, as amended, now applies only to Frederick County and the appointment by the county sheriff of a licensed Maryland physician as county medical advisor. The legislation has a sunset date of September 30, 2007.

Originally introduced to modify the community rating methodology for the small group health insurance market, HB 845, as passed by the House, requires a study of the affordability of private health insurance in Maryland. A final report is scheduled to be issued by the Maryland Health Care Commission (MHCC) and the Insurance Administration by January 2006. SB 131, which had a House hearing this week, proposes a similar MHCC study to propose recommendations to make health insurance more affordable.

SB 693 received full Senate approval to require the Department of Human Resources, in Child in Need of Assistance proceedings, to establish criteria for investigating and determining the suitability of prospective guardians and to file with the court that is determining custody and guardianship a report on the suitability of the individual under consideration to be a guardian. The report must include a home study, child protective services history, criminal history records check, and review of the proposed guardian’s physical and mental health history.

SB 834 would have provided for flood insurance policies issued in the State to be subject to the Unfair Claim Settlement Practices Act.

STATE GOVERNMENT

Legislation (SB 87/HB 73) that broadens the Open Meetings Act to allow any person, not only a person adversely affected, to sue in a circuit court for failure to comply with the Act remains in opposite chambers. Also listed on the hearing schedule for next week, SB 111 broadens the definition of a public body under the Open Meetings Act.

The Senate amended and passed legislation that seeks to empower individuals with disabilities so that they may achieve their personal and professional goals in the communities where they live when provided with the right support, training, and opportunities. To reach these goals, SB 188 creates a new Department of Disabilities as the principal staff agency responsible for developing, maintaining, and enforcing statewide disability policies and standards throughout the units of State Government.

The legislation also establishes a Maryland Advisory Commission on Disability Policy whose membership consists of individuals with various disabilities and an Interagency Disability Board whose membership consists of cabinet secretaries and other pertinent State officials. Among its several duties, the board is charged to develop a State Disabilities Plan to coordinate support services. The bill states that it is the intent of the General Assembly that the department be funded with existing resources or federal or special funds, unless funding is provided for the Department in the State budget. The House measure (HB 299) has not moved out of its original committee.

HB 86, with House amendments and approval, establishes in the Department of Health and Mental Hygiene an Office of Minority Health and Health Disparities. The office has a broad ranging mandate to research, identify, and coordinate efforts in the public and private sectors directed toward improvement of minority health care with an emphasis on preventative health and healthy lifestyles. It is the intent of the General Assembly that the office be funded from federal and special funding sources. The original companion bill, SB 177, remains in a Senate committee.

REAL PROPERTY, ESTATES, AND TRUSTS

More action happened this week on bills related to Hurricane Isabel. SJ 6 urges Congress to review the National Flood Insurance Program and to consider changes to improve the handling of claims and other aspects of the program. The joint resolution passed in the Senate, as amended, encourages the program to work closely with the Maryland Insurance Administration in ensuring the fair consideration of the claims. The companion resolution, HJ 10, is still in a House committee.

Also moving through the process with passage by the House, HB 1447 requires a lender, when evaluating the amount of flood insurance coverage required, to take into account a separate valuation for the improved property without the land value.
Next week, legislation also related to minority affairs, as approved by the Senate, will be before committee members in the House. SB 903 establishes the Office of the Special Secretary of Minority Affairs whose duties are identical to the current Director of the Office of Minority Affairs. The bill requires agencies to include a statement of the expected level of minority business participation in the specifications of invitations for bids and requests for proposals. The Board of Public Works is required to adopt regulations that an agency must include proof of a certified minority business enterprise (MBE) commitment at the time of submissions of bids or proposals. The companion bill, HB 1488 is scheduled for a hearing on April 1.

Approved by the House, HB 721 requires the Minority Business Enterprise (MBE) certification agency, currently the Department of Transportation (DOT), to develop and maintain a directory of all MBEs in the State. The directory must include specified information and be published and updated monthly on the Internet. At present, DOT publishes in the Code of Maryland Regulations and updates quarterly a directory of MBEs it has certified, but the information is not as extensive as that required by the new legislation.

Next week, House committee members will hear testimony on bills from the Senate:

- SB 164 codifies the circumstances under which the senior Deputy Attorney General serves as acting Attorney General, if the Attorney General is temporarily unable or unavailable to carry out the duties of the office; and

- SB 428 adds to Maryland’s official State symbols by making lacrosse the State’s team sport. (The companion bill, HB 1019 is in its House committee).

Reinforced by studies indicating that the participation of women in information technology is declining in undergraduate studies and in the workforce, SB 917 establishes a task force to develop a statewide women and information technology plan with implementation and promotion strategies. The Senate approved the bill, and the companion bill HB 1538, was before a House committee this week.

SB 614 received a majority third reading vote by the Senate. The measure requires the State Employee and Retiree Health and Welfare Benefit Plan to continue to include a prescription drug benefit plan and make it available to retirees, notwithstanding the enactment of the federal Medicare Prescription Drug, Improvement, and Modernization Act of 2003 or any other federal law permitting states to discontinue prescription drug benefit plans to State retirees.

A House committee killed the measure (HB 1118) that would have instituted a Teleworking Implementation Program for the executive branch of State Government. SB 484, the companion bill, was before a Senate committee this week.

**TRANSPORTATION**

An amended version of the Administration’s transportation financing measure passed the House. The original proposal, reduced by $83 million per year, is still expected to generate $165.5 million. HB 1467 is expected to raise $148 million by increasing car registration fees by $23.50 per year and truck registration fees by $36.00 per year. The Motor Vehicle Administration may recover the average annual cost of the agency’s capital program by increasing miscellaneous fees, thus raising an estimated $20 million annually. An amendment repeals the sunset on last year’s $2.50 increase to the vehicle registration fee surcharge that funds emergency medical systems and the Trauma Physicians Service Fund allowing the surcharge to continue at $13.50.

Other adopted amendments strike the moving violation $50 surcharge and the driving under the influence or driving while impaired by alcohol surcharge of $200, although these provisions are included in HB 1508. Amendments to the bill also remove provisions that direct 100% of short-term rental vehicle tax revenue to the Transportation Trust Fund (TTF), however, these provisions are included in SB 508 (see Fiscal Matters). The companion measure (SB 898) is still pending in committee.

This week, a House committee listened to testimony on HB 1508 that imposes a surcharge of $200 on a defendant convicted of a DWI or a DUI offense, including cases in which the defendant waives the right to trial and pays the fine. The bill also imposes a $50 surcharge on a defendant convicted of a moving violation (excluding offenses subject to the fine described above), including cases in which the defendant waives the right to trial and pays the fine. Revenue will go to the TTF and credited to the Gasoline and Motor Vehicle Revenue Account.