

The 90 Day Report

A Review of the 2000 Legislative Session

**Department of Legislative Services
Office of the Executive Director
Maryland General Assembly**

April 14, 2000

Honorable Thomas V. Mike Miller, Jr., President of the Senate
Honorable Casper R. Taylor, Jr., Speaker of the House of Delegates
Honorable Members of the General Assembly

Ladies and Gentlemen:

I am pleased to present you with *The 90 Day Report - A Review of Legislation in the 2000 Session*.

The 90 Day Report consists of two volumes. Volume I is divided into 13 parts, each dealing with a major policy area. Each part contains a discussion of the majority of bills passed in that policy area, including comparisons with previous sessions and current law, background information, and a discussion of significant bills that did not pass. Information relating to the Operating Budget, Capital Budget, and aid to local governments is found in Part A of this volume. Volume II, organized in the same manner as Volume I, consists of a list of all bills passed and a short synopsis stating the purpose of each bill.

As was the case last year, *The 90 Day Report* is being provided to you in loose-leaf format to make it easier to copy and use parts of the report. The binders provided last year were designed to hold the most recent edition of *The 90 Day Report*; please use the binder provided last year for this year's report. Should you also wish to have a bound version of the *Report*, please contact my office.

I hope that you will find *The 90 Day Report* as helpful this year as you have in the past. Further, the Department of Legislative Services will make available the *Fact Book* and *Citizen's Tax Guide* shortly. *The Effects of the 2000 Legislative Program on the Financial Condition of the State* will be issued after the Governor has taken final action on all bills.

Sincerely,

Karl S. Aro
Executive Director

VOLUME I

Major Policy Discussions

MAJOR ISSUES

Part A - BUDGETS AND STATE AID

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Uniform Electronic Transaction Act (UETA)

I

Part A

Budget and State Aid

Operating Budget

Setting the Stage

The 2000 legislative session was framed by the State's strong financial position. Fiscal 1999 closed with an unappropriated balance of \$320 million, and a continued favorable economic performance led the Board of Revenue Estimates (BRE) to revise the fiscal 2000 general fund revenue estimate upward by \$575 million in December 1999. As a result, the projected fiscal 2000 closing balance was increased to \$816 million. Fiscal 2001 revenue estimates were also revised, but to a lesser extent. In conjunction with funds in excess of the 5 percent of general requirement in the State's Reserve Fund, the State was in the position of having a surplus of nearly \$1.0 billion.

The revenue picture was further enhanced by the influx of monies from the tobacco settlement payments arising from the *State of Maryland v. Philip Morris, et al.* Payments received under the settlement are placed in the Cigarette Restitution Fund (CRF), and may be allocated for a variety of health-related and other purposes as outlined in legislation enacted during the 1999 session.

Budget in Brief

As enacted during the 2000 session *Senate Bill 150* (the Budget Bill) provides \$19.6 billion in appropriations for fiscal year 2001; an increase of \$1.6 billion over fiscal year 2000. General fund appropriations are \$1.1 billion greater than current spending authority. This level of growth does not accurately portray change in the operating budget, due to large allocations of dollars to one-time Paygo capital projects and the State Reserve Fund. Exclusive of these appropriations, the operating component of the budget grows by \$906 million (5.6 percent), and general funds grow by \$601 million (7.0 percent). The budget also allocates \$266.3 million of tobacco settlement payments from the CRF.

State agency operations constitute nearly one-half of the budget. Health, education, and public safety-related agencies receive nearly two-thirds of dollars allocated for agencies. Growth in agency spending is partly attributable to employee compensation and new personnel. Employee compensation enhancements provide for a 4 percent general salary increase, which will be effective on November 15, 2000, salary increments, and upgrades for selected positions. In addition, 2,038 new positions are created in the budget. Many of these positions represent contractual conversions, address deficiencies in the public safety and juvenile justice areas, and provide for higher education enhancements.

A number of enhancements and initiatives are also funded in fiscal 2001, through different fund sources. In a departure from prior years, where general funds largely comprised new spending, the budget enacted during the 2000 session implements or expands programs with general funds, special funds from the CRF and local contributions, and federal dollars. Highlights of selected items are discussed later in this section.

Education programs continue to fare well in the fiscal 2001 budget. General fund contributions to State colleges and universities increase \$86.9 million (10.9 percent) to further enhance post-secondary programs. Pass-through education and library aid to local jurisdictions rises \$124 million. The operating budget includes \$174.1 million for public school construction. In combination with bond funding, \$261 million will be available for school construction. Other education aid increases were provided through formula increases to the community colleges, scholarship programs, and aid to private colleges and universities. At the primary/secondary education level, new funding was provided for academic intervention programs, the Baltimore City remedy plan, and school readiness. Funding for non-public school textbooks was also made available for the first time, through the provision of \$6 million from the CRF.

State spending on entitlement programs also rose substantially, due largely to higher Medicaid costs for medical inflation and changes in utilization. Cost increases are offset somewhat by a declining Temporary Cash Assistance caseload.

Governor's Budget Proposal

The Governor submitted the original budget and two supplemental budgets totaling \$19.8 billion, which was 9.5 percent higher than the fiscal 2000 working appropriation (including deficiency appropriations applied to the base). On a Spending Affordability basis, the proposed budget (including all deficiency and supplemental spending) provided for an increase of 7.82 percent, or \$106.8 million over the 6.9 percent spending limit recommended by the Spending Affordability Committee.

The allowance provided substantial increases for one-time Paygo capital project spending, including \$50 million in general funds that were appropriated to the Dedicated Purpose Fund for transportation capital projects. Other notable elements of the allowance included \$400 million to the Revenue Stabilization Fund, approximately \$250 million from the CRF for health and education-related initiatives, and nearly \$90 million to enhance higher education spending.

Legislative Consideration of the Budget

The legislature reduced the Governor's fiscal 2000 deficiency items by \$33.6 million, and pared the fiscal 2001 allowance by \$190.3. Of this, approximately \$173 million was reduced from general funds. The largest reduction, \$75 million, was made to the appropriation to the State Reserve Fund to offset projected revenue losses associated with legislation passed during the session. Examples include the partial repeal of the inheritance tax, *House Bill 13/Senate Bill 160 (both passed)* (\$10.9 million impact), the Governor's Teacher Salary Challenge Program, *House Bill 1247/Senate Bill 810 (both passed)* (\$39.5 million impact), and the expansion of the Earned Income Tax Credit, *Senate Bill 240 (passed)* (\$12.7 million impact). A reduction of \$26.7 million was made to the fiscal 2000 deficiency appropriation for Medicaid, although most of this deficiency is authorized to be funded through the CRF. Other large general fund reductions were made to Paygo capital projects (\$7.4 million), turnover expectancy based on statewide vacancy rates (\$5.0 million), and overbudgeted funds for computer equipment (\$3.2 million).

During the session, the legislature was again faced with the challenge of reducing the budget to stay within the limits recommended by the Spending Affordability Committee. Although the allowance exceeded the 6.9 percent limit by \$67 million when submitted in January, this

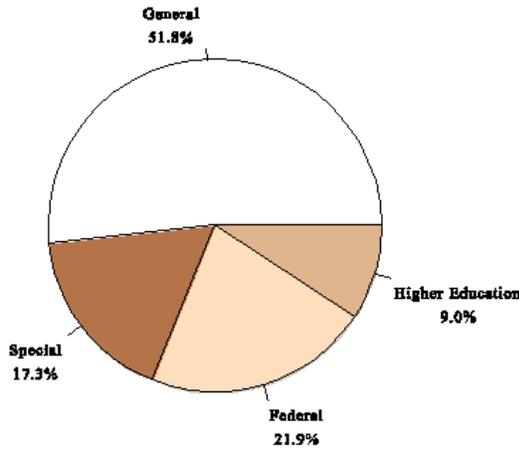
amount was increased to nearly \$107 million by additional spending in Supplemental Budgets Numbers 1 and 2. The need to make reductions during a time of unprecedented surpluses made the task of identifying reductions more difficult. Ultimately, \$109.6 million in spending affordability applicable reductions were made, bringing the budget to within the prescribed limit.

Revenue availability did not play a pivotal role this session, given the substantial surplus and reserve fund balance. The BRE did not modify the revenue estimates in March 2000, citing the fact that the economy continued to perform strongly relative to the projections that were revised in December.

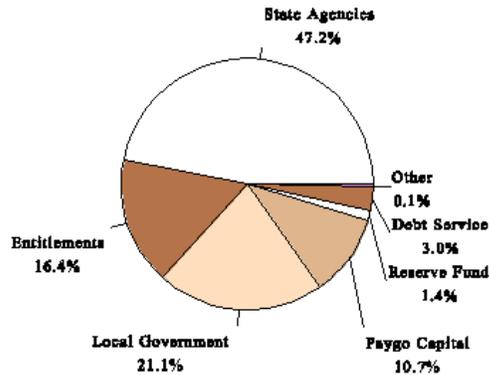
Final Budget

The final budget for fiscal year 2001 appropriated \$19.6 billion. **Exhibit A.1** illustrates funding by type of revenue. Just over one-half is supported by general funds with lesser proportions supported by dedicated special funds, federal aid, and higher education dollars. Less than one-half of the budget supports agency operations. Aid to local jurisdictions constitutes about 21 percent of the budget, followed by approximately 16 percent for entitlements. Remaining appropriations pay debt service on general obligation bonds, fund portions of the capital program, and increase the balance in the State Reserve Fund.

Exhibit A.1
Maryland's \$19.6 Billion Budget
Where It Comes From: Budget by Fund Source



Where it Goes: Budget by Purpose:



Selected Budgetary Initiatives

The following summarizes some of the major operating budget initiatives which were generally not contingent on the enactment of legislation:

Cigarette Restitution Fund Enhancements

The Tobacco Settlement was a watershed in the long history of tobacco litigation. On November 23, 1998, five major tobacco companies agreed to settle all outstanding litigation with 46 states, 5 territories, and the District of Columbia. Under this unprecedented agreement, the settling manufacturers will pay the litigating parties approximately \$206 billion over the next 25 years and beyond, as well as conform to a plethora of restrictions on marketing to youth and the general public.

Based on the Department of Budget and Management's (DBM) assumptions, approximately \$304 million is available for fiscal 2000 and 2001. This amount is sufficient to fund the \$266 million appropriated in the budget for fiscal 2000 deficiencies and fiscal 2001 operating expenses. However, revenue streams would be lower if the attorney fees and volume adjustments are different from DBM's assumptions:

- **Attorney Fees:** DBM assumes that attorney fees are only 6.25 percent of the settlement funds, but fees could be as high as 25 percent since this is the level in the contract between the State of Maryland and the law firm of Peter Angelos. Until the matter is settled by the courts, 25 percent of the settlement will remain in escrow.

- **Volume Adjustment:** DBM assumes a 3.5 percent decline in 2001 and an average decrease of 2 percent in subsequent years. This is the historical trend without price changes. However, declines in consumption could be greater because the collective impact of higher taxes, higher prices, increased enforcement, and public health programs is likely to have an impact on national consumption.

The Cigarette Restitution Act of 1999 established a special fund for tobacco settlement payments and mandated that at least 50 percent of the annual appropriation be expended on health and tobacco-related priorities. The fiscal 2001 budget conforms to the statute by allocating \$102.5 million or 63 percent of the funds to health and tobacco-related programs and the remaining \$61.3 million or 37 percent to education programs. Additional funds have been appropriated for fiscal 2000 deficiencies with \$100.0 million for Medicaid and \$2.5 million for crop conversion. **Exhibit A.2** summarizes the allocation of CRF dollars in fiscal 2000 and 2001.

**Exhibit A.2
Cigarette Restitution Fund in Fiscal 2000 and 2001**

	Fiscal 2000	Fiscal 2001	Fiscal 2001 %
Projected Revenue			
(with DBM assumptions about attorney fees and volume adjustments)			
Settlement Payments plus Interest	\$188,536,144	\$136,083,540	
less Legal Fees @ 6.25%	(11,783,509)	(8,505,221)	
plus balance from prior year		74,252,635	
Net Available Funds	\$176,752,635	\$201,830,954	
Health/Tobacco Programs			
Medicaid	\$100,000,000	24,602,887	
Tobacco Use Prevention and Cessation		18,065,486	
Cancer/Tobacco-Related Diseases		30,781,627	
Substance Abuse		18,500,000	
Maryland Health Care Foundation		1,500,000	
Crop Conversion	2,500,000	9,000,000	
Subtotal Health/Tobacco	\$102,500,000	\$102,450,000	63%
Education Programs			
School Readiness and Accreditation		\$1,000,000	
Aid to non-public schools		6,000,000	
School technology		3,902,000	
Judy Hoyer Center		4,000,000	
MAITI technology - MHEC		3,680,000	
Teacher mentoring		2,500,000	
In class telephones		0	
Teacher certification		2,000,000	
MD Technology Academy		1,680,000	
Access/Success - MHEC		1,000,000	
Teacher Salary Challenge*		35,014,618	
Digital Library - MHEC		500,000	
Subtotal Education	\$0	\$61,276,618	37%
Total Expenses	\$102,500,000	\$163,726,618	
Fund Balance	\$74,252,635	\$38,104,336	

*Funding is budgeted for salaries but may be used for salaries, intervention, city remedy, and early childhood programs under SB 810/HB 1247.

The impact of the fiscal 2001 initiatives funded from the restitution fund on future fiscal years is uncertain. Many of the initiatives will create ongoing programs that will need continued fiscal support. If the tobacco payments are lower than estimated because of higher attorney fees or volume adjustments, then there may not be sufficient funding for programs started in fiscal 2001 or to support future initiatives.

University of Maryland Medical System (UMMS) Urban Health Care System

The budget contains \$3.25 million for a fiscal 2000 deficiency and \$3.25 million for fiscal 2001 to support operating costs of UMMS' primary care network. Serving the residents of West Baltimore, the network provides primary care and mental health services at community-based clinics. Since the network is not financially self-sufficient, in the past UMMS has supported the network with a subsidy from the hospital. However, UMMS reports that the hospital has been unable to continue the same level subsidy support because of the financial difficulties that are the result of high rates of uncompensated care. To assist UMMS in maintaining the same level of services at the network clinics, the State budget partially funds the hospital's subsidy to the network for two years. UMMS reports that it may request a third year of funding in the next budget cycle, but in the meantime, it will seek other sources of financial support for the network.

DDA Waiting List Initiative

With an additional \$26.7 million, the fiscal 2001 budget contains funding for the third year of the Waiting List Initiative in the Developmental Disabilities Administration. The goal of the five-year initiative is to significantly reduce the backlog of 5,000 developmentally disabled individuals who were on the waiting list for community-based services as of fiscal 1998. By the end of fiscal 2001, the administration expects that over 4,000 individuals on this waiting list will have been placed in a combination of residential, day, or in-home support services.

Baltimore City Circuit Court

In an effort to substantially change the way the Baltimore City court system operates, and to further the progress of recently implemented criminal justice system reforms, the Criminal Justice Coordinating Council for Baltimore City, in consultation with Baltimore City criminal justice system stakeholders, devised a plan for unlogging the beleaguered court system. This plan entails expanding the use of the courtroom at the Central Booking and Intake Facility (CBIF) to include a full-time five-day a week schedule as a mechanism for expediting the processing of less serious criminal cases. This will free up resources for the processing of more serious criminal cases. The fiscal 2001 State budget includes an additional \$6.7 million and 85 new permanent positions to support the planned increased utilization of the courtroom at the CBIF, and to assist State agency operations in the Baltimore City criminal justice system.

The General Assembly also adopted budget language and committee narrative requiring reports documenting the progress of reform initiatives and expanded use of the CBIF courtroom.

Juvenile Justice Initiatives

The fiscal 2001 appropriation for the Department of Juvenile Justice was \$157 million, \$21.2 million over the department's fiscal 2000 budget (15.6 percent). In addition, the fiscal 2001 budget bill includes a fiscal 2000 deficiency appropriation of \$6.4 million. This significant increase was primarily a response to the serious and very public problems which surfaced in November 1999 relating to allegations of abuse at the department's Youth Centers in Western Maryland. Most of the funding increases, however, relate to other funding shortcomings identified after the allegations of abuse prompted both an independent review of the department's operations and the dismissal of the Secretary and other senior management. The major increases include:

Improved Training (\$459,000): Mandated certified training through the Maryland Correctional Training Commission and increased training for all direct care staff.

Enhanced Oversight (\$738,000): Additional program monitors, inspectors, independent monitors, and a new Deputy Secretary to oversee professional responsibility and accountability.

After Care Initiatives (\$1.75 million): Additional staff for an intensive aftercare program targeted at youth in Baltimore City and Prince George's County coming out of the Youth Centers and the Hickey Enhanced Program, plus an additional pool of flexible funds for aftercare services.

Sex Offender Programming at Hickey School (\$2.0 million, including \$1.0 million fiscal 2000 deficiency): Funds to cover the cost of the sex offender program run on the grounds of the Hickey School. This program was originally excluded from the new Hickey contract as the department hoped to open the program as a Residential Treatment Center (RTC). However, the facility is still awaiting accreditation as an RTC.

Increased Funding for Residential Per Diem Placements (\$8.2 million including \$2.3 million fiscal 2000 deficiency): The department's policy of graduated sanctions has resulted in additional deep-end residential placements. Per diem placements, originally budgeted at an annual Average Daily Population (ADP) of 220 in fiscal 2000, were up to 362 at the end of the third quarter of fiscal 2000.

Increased Drug Testing for Youth on Probation (\$500,000): Funds for additional urinalysis to act as a deterrent for youth on probation, but also to screen youths not yet detected as substance abusers.

Spotlight on Schools (\$726,000): Further expansion of the Spotlight on Schools Program which places probation officers in schools to deal directly with troubled youth.

Program Evaluation (\$1.05 million): A variety of initiatives to add permanent research and program evaluation staff and to use consultants to fully evaluate existing operating and capital programming in the department as well as develop new programming.

Information Technology (\$2.6 million including \$2.1 million fiscal 2000 deficiency): Costs associated with the development, maintenance, and management of the department's Automated Support System for Information and Services Tracking (ASSIST) and wide area network.

Improvements at the State Run Facilities (\$2.1 million including \$754,000 fiscal 2000 deficiency): A variety of program initiatives primarily at the Youth Centers, Waxter (improvements in the girl's programming), and Noyes.

Parole and Probation Initiatives

The fiscal 2001 budget provides \$1.57 million for 54 additional positions in field operations: 41 agents, six field supervisors, and seven office secretaries. These new positions support the initiative to reduce offender recidivism through a more Proactive Community Supervision Model which allows for closer and intensive supervision of offenders in the community. The additional agents will be deployed to reduce caseloads, which will allow agents to more effectively monitor and supervise offenders. Additionally, the fiscal 2001 budget includes \$2.4 million to raise the salaries of parole and probation field positions. The affected positions will receive a two-grade salary adjustment effective January 2001.

Correctional Officer Staffing Initiative

The fiscal 2001 budget for the Department of Public Safety and Correctional Services provides \$4.97 million for 193 new correctional officer positions. Specifically, 100 positions will be allocated among the following facilities: Maryland House of Correction Annex; Maryland Correctional Institution - Jessup; Maryland Reception, Diagnostic, and Classification Center; Maryland Correctional Training Center; and

Maryland Correctional Pre-Release System. The remaining 93 positions are for the Central Booking and Intake Facility in Baltimore City. The positions address staffing shortages and meet the increasing demand on custody staff. The aim of the initiative is to appropriately staff facilities and reduce the department's costly reliance on overtime to man required security posts. Additionally, the budget includes nearly \$849,000 for 26 new correctional supervisor positions at the Division of Pretrial and Detention Services.

Lead Paint Initiative

The fiscal 2001 budget includes \$5 million in State funds as part of a total \$16.8 million commitment among the State, Baltimore City, and the federal government to expand lead abatement, lead poisoning prevention, and lead enforcement efforts. The \$5 million State commitment is allocated in the following manner:

- \$3.5 million to the Maryland Department of Housing and Community Development for grants to homeowners and landlords to abate lead poisoning hazards in homes and apartments;
- \$500,000 to the Maryland Department of the Environment for five new lead inspectors, two new attorneys, and two technical positions to link State and Baltimore City databases; and
- \$500,000 to the Department of Health and Mental Hygiene for expansion of the department's lead poisoning prevention and screening efforts, testing capabilities, lead poisoning outreach, and public information and data management.

The budget bill requires all the departments receiving funds from the lead paint initiative to jointly prepare a comprehensive report before the funds may be expended. Strategies for implementation of certain programs, strategies for strengthening current lead laws, methods for improving lead screening of children, and information by jurisdiction on the extent of lead paint problems and funds available to combat the problem, are required to be in report. The report will be submitted to the budget committees for review and comment.

Arts Council and Tourism Funding

The fiscal 2001 budget includes \$12.2 million for grants administered by the Maryland State Arts Council. This represents an increase of \$1.7 million (16 percent) over fiscal 2000. The General Assembly earmarked a total of \$500,000 to specific arts organizations.

The arts council provides grants to arts organizations, community arts development, artists in education, and individual arts from this budget. The council has a goal of providing grants equivalent to 10 percent of an arts organization's operating expenses. The funds provided for fiscal 2001 will allow the council to continue to move in that direction.

Tourism funding also receives significant enhancement in fiscal 2001. Consistent with Chapter 471, Acts of 1997, the Maryland Tourism Development Board receives an increase of \$1 million in general funds, to \$6 million. The Office of Tourism Development's budget increases by \$800,000 for advertising, promotions, and web-site development, and \$525,000 is provided for multi-cultural, outdoor nature, and sports tourism marketing to develop and promote these specialty products.

Aid to Nonpublic Schools

After deferring previous requests for aid to the approximately 130,000 nonpublic school students in the State, the Governor included \$6 million from the CRF in the fiscal 2001 budget, specifying only that the funds could not be used for sectarian purposes. After much debate, the General Assembly left the funding intact, but attached restrictive budget bill language to the fiscal 2001 appropriation. The language specifies that the funding is to be used only for the purchase of textbooks, with a maximum distribution of \$60 per eligible nonpublic school student for participating schools, except that at schools where at least 20 percent of the students are eligible for free or reduced price lunch program, the distribution will be \$90 per student.

To be eligible to participate, a nonpublic school must either be approved by or be registered with the State Board of Education, and not charge more tuition to a participating student than the statewide average per pupil expenditure. The statewide average per pupil expenditure was \$6,945 in fiscal 1998. Based on a 2.7 percent projected annual increase, the average statewide per pupil expenditure will be approximately \$7,500 in fiscal 2001. The language also outlines a process for the distribution of funds, using Pennsylvania's program as a model.

Technology in Maryland Schools

The Technology in Maryland Schools (TIMS) program, first funded in fiscal 1997, is a component of the Governor's Maryland Connected for Learning Initiative. Amid concern over the "digital divide," the fiscal 2001 budget includes additional funds for wiring schools for technology and for grants to schools for software, equipment, and professional development. In addition, the fiscal 2001 budget includes new funds to establish regional technology academies for teachers.

The State's fiscal 2001 school construction program currently includes \$9.4 million for 132 school wiring projects. Another 358 public schools in Maryland remain to be funded for wiring for technology. It is expected that another approximately \$8 million will be allocated to wiring projects when the remainder of the fiscal 2001 school construction funds are allocated to specific projects in May 2000. In addition, the State plans to borrow, through a master lease arrangement with the Treasurer's Office, up to \$25 million in fiscal 2001, and potentially again in fiscal 2002, to accelerate and enhance State support of school wiring for technology projects, with the goal of funding all the remaining schools in fiscal 2001 and 2002. The enhancements include increasing the percentage of State funding, removing the cap based on size, and including the cost of required electrical work.

As part of TIMS, each school is eligible for \$42,000 worth of equipment and \$8,052 for software and professional development. The fiscal 2001 budget includes \$10.3 million, mostly to cover lease payments from previous years.

The Maryland Technology Academy was established by 1998 legislation to provide teachers with intensive learning opportunities on the use of technology to impact student learning. The fiscal 2001 budget includes \$250,000 in general funds for the academy, plus an additional \$1.68 million in tobacco settlement funds to establish 20 regional programs, working through the eight regional professional development networks already in place.

Transportation Program

Transportation spending totals \$2.7 billion in fiscal 2001. Major revenue sources include motor fuel tax receipts (\$655 million), titling tax receipts (\$548 million), licensing and registration fees (\$180 million), bond sale proceeds (\$175 million), and federal funds (\$693 million). Maryland Department of Transportation (MDOT) appropriations include operating expenditures (\$933 million), capital expenditures (\$1,271 million), local highway user revenue grants (\$405 million), and debt service (\$114 million). The budget also appropriates general funds totaling \$50 million in the Dedicated Purpose Fund for Woodrow Wilson Bridge replacement and Addison Road to Largo Town Center Metrorail construction. The fiscal 2001 appropriation also includes the last of two payments (\$19.9 million in fiscal 2001) from the Transportation Trust Fund to the Maryland Transportation Authority (MdTA). The MdTA provided \$39.9 million to finance construction of a parking garage at the Baltimore-Washington International Airport (BWI). The fiscal 2001 budget funds 9,205.5 permanent and 160.4 full-time equivalent contractual positions.

The fiscal 2001 operating budget includes additional expenditures for personnel and increased cost of services, as well as new initiatives. The appropriation assumes \$4.2 million for the general salary increase, \$3.3 million for employee increments, and \$3.3 million for higher health insurance costs. The Washington Metropolitan Area Transit Administration's paratransit costs increase \$2.8 million, and inflation and previously approved rail expansions add another \$7.8 million to the budget. At the Maryland Aviation Administration, costs for previously approved expansions of BWI piers A and B added \$1.8 million to the budget. Certificate of Participation payments for BWI piers A and B expansion and deicing facility work require an additional \$2.2 million. Some new initiatives are funded (consistent with MDOT's Managing for Results initiative), including \$1.3 million in safety enhancements and \$1.4 million in replacement and maintenance work.

In developing the fiscal 2000 to 2005 capital program, MDOT added \$2.7 billion in planned expenditures. New funding includes an additional \$859 million for Woodrow Wilson Bridge replacement (increasing Maryland's funding to \$900 million), \$412.2 million for the Addison Road to Largo Town Center Metrorail construction, \$117 million for U.S. 29 interchange improvements in Montgomery County, and \$97 million in statewide neighborhood conservation projects.

Higher Education

State operating support for public colleges and universities in fiscal 2001 is \$859 million, an increase of 10.8 percent; the State's private colleges and universities will receive \$41.6 million in State support, an increase of 13.8 percent.

Fiscal 2001 represents the first year of the application of the funding guidelines adopted by the Maryland Higher Education Commission (MHEC) in September 1999 in accordance with State law which requires "operating funding guidelines based on comparisons with peer institutions and on other relevant criteria" [Education Article §10-207(5)]. In developing a proposed funding level for each institution within the University System of Maryland, MHEC incorporated information on the amount of resources, students, facilities and other relevant factors for identified peers, universities of similar size, program mix and location. A university funded at its proposed funding guideline level would be receiving more state support than 75 percent of its identified peer institutions. Under the funding guidelines, the University System of Maryland proposed general fund support in fiscal 2001 is \$906 million. Thus, in fiscal 2001, State support of the USM is 87 percent of the recommended funding guidelines.

Two public four-year institutions are not part of the University System of Maryland and are not funded with reference to the new funding guidelines: Morgan State University and St. Mary's College of Maryland. State support for Morgan State University in fiscal 2001 is \$48 million, a 10 percent increase. State support for St. Mary's College of Maryland is \$13.5 million, approximately \$500,000 more than required by the statutory funding formula for the college. The increased funds will be used to increase enrollment by 200 students over the next four years.

State Reserve Fund

This year's budget bill provides a fiscal 2000 general fund deficiency (\$25.3 million) for the reserve fund. The deficiency includes \$22.3 million to the Dedicated Purpose Fund, representing the reallocation of surplus federal Temporary Assistance to Needy Families (TANF) Block Grant dollars. The remaining \$3.0 million restores the balance of the Catastrophic Event Fund, since that amount is to be allocated during fiscal 2000 for drought relief.

The initial fiscal 2001 reserve fund allocation was \$496 million. This amount included \$400 million for the Rainy Day Fund, \$86 million for the Dedicated Purpose Fund, and \$10 million for the Joseph Fund.

Monies allocated to the Dedicated Purpose Fund include \$50 toward the State's share of transportation projects (see Transportation Program under this section), \$30 million representing additional general funds for programs which will be funded with surplus TANF dollars, and \$6 million for public education on utility restructuring by the Public Service Commission. A \$10 million initial allocation was made to the Joseph Fund, which was created by Chapter 517, Acts of 1999.

In the Rainy Day Fund approximately 80 percent, or \$310 million, of the fiscal 2001 allowance represented the unappropriated fiscal 1999 general fund surplus in excess of \$10 million, per the provisions of Chapter 4, Acts of 1998. Another \$90 million was to offset future revenue needs. The Governor withdrew the additional \$90 million appropriated to the Rainy Day Fund through Supplemental Budgets Numbers 1 and 2, in order to provide a portion of the funding for certain Paygo capital projects and other purposes. The legislature made reductions of another \$75 million to the Rainy Day Fund to offset revenue losses associated with legislation passed during the session. At the end of fiscal 2001, the Rainy Day Fund balance is projected at \$921.1 million, which is equivalent to 9.9 percent of estimated general fund revenues. This level exceeds the statutory 5 percent of general fund revenues level by \$456 million. See **Exhibit A.3** for a summary of the activity for each fund in the State Reserve Fund for fiscal 2000 and 2001.

Exhibit A.3
Reserve Fund Activity - Fiscal 2000 and 2001
(\$ In Millions)

	Rainy Day Fund	Dedicated Purpose Fund	Catastrophic Event Fund	Joseph Fund
Balances on Hand 6/30/99	634.9	90.7⁽¹⁾	3.0	0.0⁽²⁾

Fiscal 2000 Appropriations:

High Speed Data Network		6.0		
Unappropriated FY 98 Balance	82.2			
700 MHZ		2.0		

Fiscal 2000 Deficiency Appropriations:

TANF Reallocation		22.3		
Replace funds for drought relief			3.0	

Fiscal 2000 Expenditures:

High Speed Data Network		(6.0)		
700 MHZ/800 MHZ		(2.0)		
DDA Waiting List Initiative - DHMH		(5.0) ⁽³⁾		
PSC: Public education utility restruct.	(6.0)			
Higher education capital project design	(8.0)			
Drought relief			(3.0)	
Transfer to General Fund:	(160.0)			

Interest:

36.5

Balances on Hand 6/30/00**579.6 108.0 3.0 0.0****Fiscal 2001 Appropriations:**

Unappropriated FY 99 Balance	235.0 ⁽³⁾			10.0
PSC: Public education utility restruct.		6.0		
Wilson Bridge/Metro Expansion		50.0		
TANF Reallocation		30.0		

Transfer from Dedicated Purpose Fund:

50.0 (50.0)

Expenditures:

PSC: Public education utility restruct.		(3.0)		
Wilson Bridge/Metro Extension		(50.0)		
DDA Waiting List Initiative - DHMH		(5.0) ⁽⁴⁾		

Fiscal 2001 Interest Earnings (est.)

56.5 0.6

Estimated Balances 6/30/01**921.1 86.0 3.0 10.6****Balance In Excess of 5% GF Revenues****455.9**

(1) Balance consists of a \$50 million fiscal 1996 general fund appropriation as a reserve against reductions in federal funds, a \$15.7 million fiscal 1998 general fund appropriation from welfare reform savings, \$10.0 million transferred from the Citizen's Tax Reduction and Fiscal Reserve Account (repealed by Chapter 604, Acts of 1998), and \$15.0 million for the Developmental Disabilities Administration waiting list initiative.

(2) Chapter 517, Acts of 1999 created the Joseph Fund beginning in fiscal 2001. The Act provides that an appropriation may be included in the budget equivalent to the lesser of 40% of the fiscal 1999 unappropriated general fund surplus or \$10 million. Interest earnings are credited to the Joseph Fund and not to the Revenue Stabilization Fund.

(3) The allowance provided \$400 million (\$310.0 of the unappropriated fiscal 1999 general fund surplus, per Chapter 4, Acts of 1998), and another \$90 million to offset future revenue needs. The Governor withdrew the \$90 million via Supplemental Budgets Nos. 1 & 2 for Paygo and other needs. The legislature reduced another \$75 million to offset revenue losses due to 2000 session legislation.

(4) Special funds

Personnel

Employee compensation enhancements constitute a major component of the fiscal 2001 budget. Most significant is the approximately \$41.0 million general fund increase, devoted to the 4 percent general salary increase to be implemented on November 15, 2000 and the approximately \$38.6 million in general funds devoted to salary increments. Maryland is also beginning what could potentially become an annual process by implementing position upgrades in a number of statewide and agency-specific positions, at a cost of \$11.9 million general funds. The pay-for-performance policy continues through fiscal 2001, for a total cost to the State of \$6.3 million general funds. All told, these elements of compensation account for a general fund increase of \$91.5 million over fiscal 2000 spending.

In fiscal 2001, two additional structural changes to the compensation system are anticipated. First, the executive pay plan will no longer cover employees below the level of assistant and deputy secretary. The approximately 150 executive service employees remaining will be compensated by way of salary bands established by *House Bill 1270 (passed)*, wherein only minimum and maximum salaries are defined. The approximately 400 managerial service employees currently placed on the executive pay plan will be moved administratively to an

expanded standard salary schedule. Grades 23 to 26 will be added to accommodate them. The cost of this adjustment will be absorbed within existing budgets.

There is a net change of 1,991 regular positions in fiscal 2001's budget over those provided for in fiscal 2000 working appropriations. This figure includes the abolition of 27 positions in the base budget, a legislative reduction of 20 existing positions, and the addition of 2,038 new positions. The departments or functional areas showing the largest net change in number of regular positions are public safety and corrections (352), human resources (324), higher education (313), juvenile justice (297), health and mental hygiene (172), and judicial review/legal (171).

Exhibit A.4 is a summary of full-time equivalent regular positions for fiscal 2000 and fiscal 2001.

Exhibit A.4
Fiscal 2000 and Fiscal 2001 Full-Time Equivalent Regular Position Summary

<u>Department/Function</u>	<u>Fiscal 2000 Working Approp.</u>	<u>Abolished Positions</u>	<u>New Positions Base Budget</u>	<u>New Positions Supplemental Budgets</u>	<u>Total FTE Allowance 2001</u>	<u>Legislative Reductions</u>	<u>Fiscal 2001 Approp.</u>	<u>Fiscal 2001 Net Position Change</u>
General Assembly	720		5		725		725	5
Judicial Review and Legal	4,038		148	47	4,233	(24)	4,209	171
Executive Department	1,510	(4)	40	7	1,553	(2)	1,551	41
Financial and Revenue Administration	2,111		32	5	2,148	(2)	2,146	35
Budget and Management	460		48		508	(3)	505	45
Retirement and Pension Systems	179		11		190	(3)	187	8
General Services	656		33		689		689	33
Transportation	9,193		62		9,254	(49)	9,205	13
Natural Resources	1,580		5		1,585		1,585	5
Agriculture	476		1		477		477	1
Health and Mental Hygiene	8,241	(4)	181	15	8,433	(20)	8,413	172
Human Resources	7,313		347	1	7,661	(24)	7,637	324
Labor, Licensing & Regulation	1,670		26	12	1,708		1,708	38
Public Safety & Corrections	10,874	(19)	339	36	11,230	(4)	11,226	352
Department of Education	1,350		5		1,355		1,355	5
Higher Education	19,606		313		19,919		19,919	313
Other Education	529		13		542		542	13
Housing & Community Development	417		19		436	(1)	435	18
Business & Economic Development	307		11		317		317	11
Environment	953		45	10	1,008		1,008	55
Juvenile Justice	1,318		304	46	1,668	(53)	1,615	297
State Police	2,516		37		2,553		2,553	37
Total Budgeted Positions	76,015	(27)	2,024	179	78,191	(185)	78,006	1,991
Higher Education	19,606	0	313	0	19,919	0	19,919	313
Other State Employees	56,409	(27)	1,711	179	58,272	(185)	58,087	1,678

Note: Detail may not add to total due to rounding.

Source: Department of Budget and Management, Legislative Database.

By the Numbers

A number of exhibits summarize legislative budget action. These exhibits are described below:

Exhibit A.5 shows the impact of the legislative budget on the general fund balance for fiscal year 2001. The fiscal year 2000 balance, along with projected revenues of \$9.3 billion, will support \$10.1 billion of fiscal year 2001 spending. After estimated reversions of \$25.0 million, the projected balance at the close of the fiscal year is \$19.5 million.

Exhibit A.6, the fiscal note on the budget bill, depicts the Governor's allowance, legislative reductions, and final appropriations for fiscal years 2000 and 2001 by fund source. The Governor's original budget request provided for \$19.9 billion in fiscal year 2001 expenditures and fiscal year 2000 deficiencies, increased by \$152.6 million through Supplemental Budgets 1 and 2. The legislature made \$225.4 million of reductions to the total budget requests, resulting in appropriations of \$316.4 million for fiscal year 2000 and \$19.5 billion (less reversions) for fiscal year 2001.

Exhibit A.7 illustrates budget changes by major expenditure category by fund. Total spending grows 9.2 percent. Debt service decreases by 1.3 percent, aid to local governments increases by 5.6 percent, State agency spending rises 6.9 percent, and entitlements rise 5.9 percent. Paygo capital expenditures increase by 30.8 percent reflecting the allocation of surplus monies for one-time spending. Allocations to the State Reserve Fund rise by 143.3 percent, to offset future revenue needs of the State.

Outlook for Future Budgets

Exhibit A.8 projects general fund revenues and expenditures through fiscal year 2005. Forecasted revenue are reduced by the Governor's Teacher Salary Challenge Program, the partial repeal of the inheritance tax, expansion of the earned income tax credit, and modifications to other revenue sources.

Expenditure increases are projected for base budget growth, funding or fully phasing-in administration initiatives, and various legislation.

Legislation with significant outyear costs was passed relating to nursing home staffing, the integration of child welfare and substance abuse treatment services, expansion of the Children's Health Program, teacher's scholarship programs, and funding for circuit court masters and jurors per diem payments.

As seen in Exhibit A.8 projected operating expenditures roughly track to available revenues. However, a spending gap results when the outyear Paygo capital funding projections envisioned in the Governor's expenditure forecast are added. Assuming no significant changes to State agency programs and expenditures, and even after drawing down the State Reserve Fund to the 5 percent of general fund revenue statutory target, additional adjustments in the magnitude of \$200 million would be needed to balance the fiscal year 2002 budget. A greater magnitude of reduction would be necessary to balance the fiscal year 2003 budget. Shortfalls in the future years would need to be addressed through a combination of programmatic reductions; modifications in the scope, timing, or source of funding for capital project funding commitments; revenue increases; or some combination of these options.

**Exhibit A.5
General Fund Impact
(\$ In Millions)**

Beginning Fund Balance		815.7
Revenues		
Estimated BRE Revenues (December 1999)	9,385.7	
Additional lottery revenues to Stadium Authority	(4.0)	
Additional revenue loss due to legislation	(25.9)	
Local Retirement Payments (<i>Senate Bill 810/House Bill 1247</i>)	(39.5)	
Repeal of inheritance tax (<i>Senate Bill 160/House Bill 13</i>)	<u>(10.9)</u>	
		9,305.4
Expenditures		
Appropriations in Original Budget less reversions	(10,181.3)	
Supplemental Budget No. 1	(7.4)	
Supplemental Budget No. 2	(88.3)	
Spending contingent on legislation	2.8	
Reductions to general fund expenditures/deficiencies	170.4	
Reductions to lottery expenditures	<u>2.4</u>	
		(10,101.5)
		19.5
Closing Fiscal 2001 Balance		
	Spending Affordability Impact	
		62.1
Original Budget Over (Under) Limit		
	4.5	
Supplemental Budget No. 1		
Supplemental Budget No. 2	40.2	
Spending contingent on legislation	(1.3)	
Reductions	<u>(109.6)</u>	
		(66.3)
Available Over (Under) Limit		(4.2)

**Fiscal Note
Summary of the Budget Bill - Senate Bill 150**

	General Funds	Special Funds	Federal Funds	Education Funds	Total Funds
Governor's Request:					
FY 2000 Deficiency Budget	\$79,266,455	\$100,089,000	\$145,300,000	\$0	\$324,655,455
FY 2001 Budget *	10,181,299,979	3,365,446,429	4,286,437,796	1,766,040,180	19,599,224,384
Original Budget Request	10,260,566,434	3,465,535,429	4,431,737,796	1,766,040,180	19,923,879,839
<i>Supplemental Budget 1</i>					
FY 2000 Deficiency Budget	0	200,000	0	0	200,000
FY 2001 Budget	7,423,179	2,864,618	18,950,000	0	29,237,797
Supplemental Budget Request	7,423,179	3,064,618	18,950,000	0	29,437,797
<i>Supplemental Budget 2</i>					
FY 2000 Deficiency Budget	25,115,839		0	0	25,115,839
FY 2001 Budget	63,233,271	32,255,027	2,600,000	0	98,088,298

Supplemental Budget Request	88,349,110	32,255,027	2,600,000	0	123,204,137
Reductions by the General Assembly:					
FY 2000 Deficiency Budget	31,089,238	2,500,000	0	0	33,589,238
FY 2000 Supplemental Deficiency	0	0	0	0	0
FY 2001 Budget**	140,869,507	19,481,278	29,910,967	0	190,261,752
FY 2001 Supplemental Budgets	1,224,769	300,000	0	0	1,524,769
Total Reductions	173,183,514	22,281,278	29,910,967	0	225,375,759
Appropriations:					
FY 2000 Deficiency Budget	73,293,056	97,789,000	145,300,000	0	316,382,056
FY 2001 Budget	10,109,862,153	3,380,784,796	4,278,076,829	1,766,040,180	19,534,763,958
Total Appropriation	\$10,183,155,209	\$3,478,573,796	\$4,423,376,829	\$1,766,040,180	\$19,851,146,014

* Includes general fund reversions of \$25 million.

** General fund amount includes \$150,000 increase to Judiciary's budget for the Criminal Justice Coordinating Council in Baltimore City.

Department of Legislative Services, April 2000

**Exhibit A.7
State Expenditures -- General Funds
(\$ in Millions)**

Category	Actual FY 1999	Work App. FY 2000	Leg. Appr. FY 2001	\$ Diff. 00 to 01	% Diff. 00 to 01
Debt Service	\$151.8	\$189.3	\$204.3	\$15.0	7.9%
Aid to Local Governments					
General Government	136.1	145.2	175.2	30.0	20.7%
Community Colleges	129.0	141.8	163.0	21.2	14.9%
Education & Libraries	2,577.3	2,651.5	2,709.5	58.0	2.2%
Health	44.9	47.9	51.6	3.7	7.8%
	2,887.3	2,986.3	3,099.2	112.9	3.8%
Entitlements					
Foster Care Payments	126.9	116.2	113.4	-2.8	-2.4%
Assistance Payments	67.2	77.2	65.3	-11.9	-15.4%
Medical Assistance	1,077.4	1,105.8	1,279.1	173.3	15.7%
Property Tax Credits	48.7	55.2	55.6	0.4	
	0.8%				
	1,320.2	1,354.3	1,513.3	159.0	11.7%
State Agencies					
Health	891.0	955.5	1,002.3	46.8	4.9%
Human Resources	244.0	269.2	275.9	6.7	2.5%
Systems Reform Initiative	52.8	47.0	46.9	-0.0	-0.1%
Juvenile Justice	123.7	129.9	143.8	13.9	10.7%
Public Safety & Police	749.5	806.3	846.5	40.2	5.0%
State Colleges & Universities	721.3	799.3	886.1	86.9	10.9%
Agric./Natl Res./Environment	99.4	109.8	124.3	14.6	13.3%
Other	652.1	700.5	789.6	89.1	12.7%
Judicial & Legislative	240.7	260.1	281.5	21.3	8.2%
Across-the-Board Cuts	0.0	0.0	-8.2	-8.2	n.a.
	3,774.5	4,077.6	4,388.8	311.2	7.6%
Subtotal	\$8,133.8	\$8,607.5	\$9,205.6	\$598.1	6.9%
Capital	223.1	315.6	646.3	330.7	104.8%
Transfers	17.1	0.0	2.0	2.0	n.a.

Reserve Fund	170.0	115.5	281.0	165.5	143.3%
Appropriations	\$8,543.9	\$9,038.6	\$10,134.9	\$1,096.2	12.1%
Reversions	0.0	-25.0	-25.0	0.0	0.0%
Total	\$8,543.9	\$9,013.6	\$10,109.9	\$1,096.2	12.2%

Note: Detail may not add to total due to rounding. FY 2000 reflects deficiency appropriations and \$31.1 million in cuts to the deficiencies. Both FY 2000 and FY 2001 reflect Supplemental Budgets #1 and #2.

Exhibit A.7 (continued)
State Expenditures -- Special and Higher Education Funds **
(\$ in Millions)

Category	Actual FY 1999	Work App. FY 2000	Leg. Appr. FY 2001	\$ Diff. 00 to 01	% Diff. 00 to 01
Debt Service	\$398.7	\$402.8	\$380.4	-\$22.4	-5.6%
Aid to Local Governments					
General Government	449.9	451.5	465.9	14.4	3.2%
Community Colleges	0.0	0.0	0.0	0.0	n.a.
Education & Libraries	0.3	0.1	65.8	65.7	65746.0%
Health	0.0	0.0	0.0	0.0	n.a.
	450.2	451.6	531.8	80.1	17.7%
Entitlements					
Foster Care Payments	0.3	0.4	1.9	1.5	394.2%
Assistance Payments	24.7	19.7	16.1	-3.6	-18.2%
Medical Assistance	25.2	109.5	40.3	-69.2	-63.2%
Property Tax Credits	0.0	0.0	0.0	0.0	n.a.
	50.2	129.6	58.3	-71.3	-55.0%
State Agencies					
Health	74.1	82.0	149.4	67.5	82.3%
Human Resources	27.5	13.3	44.7	31.4	236.0%
Systems Reform Initiative	0.3	0.3	0.1	-0.3	-83.7%
Juvenile Justice	0.1	0.2	0.1	-0.0	-23.6%
Public Safety & Police	119.2	122.0	135.1	13.1	10.8%
State Colleges & Universities	1,560.1	1,733.6	1,770.9	37.3	2.2%
Transportation	841.9	856.1	886.1	30.0	3.5%
Agric./Nat'l Res./Environment	90.3	92.9	106.7	13.7	14.8%
Other	233.2	252.7	249.4	-3.4	-1.3%
Judicial & Legislative	12.3	11.1	12.1	1.0	9.1%
Across-the-Board Cuts	0.0	0.0	-1.6	-1.6	n.a.
	2,959.0	3,164.3	3,353.0	188.7	6.0%
Subtotal	\$3,858.1	\$4,148.3	\$4,323.5	\$175.2	4.2%
Capital	723.8	792.7	803.4	10.7	1.3%
Reserve Fund	15.0	0.0	0.0	0.0	n.a.
Transfer to MDTA	0.0	20.0	19.9	-0.1	-0.5%
Grand Total	\$4,596.9	\$4,961.1	\$5,146.8	\$185.8	3.7%

** Includes higher education funds (current unrestricted & current restricted) net of general and special funds.

Note: Detail may not add to total due to rounding. FY 2000 reflects deficiency appropriations and \$2.5 million in cuts to the deficiencies. Both FY 2000 and FY 2001 reflect Supplemental Budgets #1 and #2.

Exhibit A.7 (continued)
State Expenditures -- Federal Funds
(\$ in Millions)

Category	Actual FY 1999	Work App. FY 2000	Leg. Appr. FY 2001	\$ Diff. 00 to 01	% Diff. 00 to 01
Debt Service	\$0.0	\$0.0	\$0.0	\$0.0	n.a.

Aid to Local Governments

General Government	29.9	20.8	35.4	14.6	70.1%
Community Colleges	0.0	0.0	0.0	0.0	n.a.
Education & Libraries	398.1	442.0	466.5	24.5	5.5%
Health	4.5	4.5	4.5	0.0	0.0%
	432.5	467.3	506.4	39.1	8.4%
Entitlements					
Foster Care Payments	55.7	58.8	81.6	22.8	38.8%
Assistance Payments	331.2	369.3	311.7	-57.6	-15.6%
Medical Assistance	1,076.8	1,202.4	1,247.4	45.0	3.7%
Property Tax Credits	0.0	0.0	0.0	0.0	n.a.
	1,463.7	1,630.5	1,640.7	10.2	0.6%
State Agencies					
Health	395.0	453.8	464.6	10.8	2.4%
Human Resources	415.6	464.5	503.0	38.5	8.3%
Systems Reform Initiative	21.0	33.6	43.3	9.7	28.8%
Juvenile Justice	12.5	12.1	13.1	1.0	8.1%
Public Safety & Police	9.4	9.0	10.5	1.5	17.1%
State Colleges & Universities	0.0	0.0	0.0	0.0	n.a.
Transportation	20.5	24.3	24.4	0.1	0.6%
Agric./Natl Res./Environment	42.8	44.7	47.4	2.6	5.9%
Other	342.7	361.0	379.3	18.2	5.1%
Judicial & Legislative	1.5	1.8	2.2	0.4	19.7%
Across-the-Board Cuts	0.0	0.0	-2.0	-2.0	n.a.
	1,261.0	1,404.9	1,485.7	80.8	5.8%
Subtotal	\$3,157.3	\$3,502.7	\$3,632.8	\$130.1	3.7%
Capital	375.5	502.5	645.3	142.8	28.4%
Grand Total	\$3,532.8	\$4,005.1	\$4,278.1	\$272.9	6.8%

Note: Detail may not add to total due to rounding. FY 2000 reflects deficiency appropriations. Both FY 2000 and FY 2001 reflect Supplemental Budgets #1 and #2.

Exhibit A.7 (continued)
State Expenditures -- All State Funds
(\$ in Millions)

Category	Actual FY 1999	Work App. FY 2000	Leg. Appr. FY 2001	\$ Diff. 00 to 01	% Diff. 00 to 01
Debt Service	\$550.5	\$592.1	\$584.7	-\$7.4	-1.3%
Aid to Local Governments					
General Government	586.0	596.7	641.1	44.4	7.4%
Community Colleges	129.0	141.8	163.0	21.2	14.9%
Education & Libraries	2,577.6	2,651.6	2,775.3	123.7	4.7%
Health	44.9	47.9	51.6	3.7	7.8%
	3,337.5	3,437.9	3,631.0	193.0	5.6%
Entitlements					
Foster Care Payments	127.2	116.5	115.2	-1.3	-1.1%
Assistance Payments	91.9	96.9	81.4	-15.5	-16.0%
Medical Assistance	1,102.7	1,215.3	1,319.4	104.1	8.6%
Property Tax Credits	48.7	55.2	55.6	0.4	0.8%
	1,370.4	1,483.9	1,571.6	87.7	5.9%
State Agencies					
Health	965.2	1,037.5	1,151.7	114.3	11.0%
Human Resources	271.4	282.5	320.6	38.1	13.5%

Systems Reform Initiative	53.0	47.3	47.0	-0.3	-0.7%
Juvenile Justice	123.9	130.1	144.0	13.9	10.6%
Public Safety & Police	868.7	928.3	981.6	53.3	5.7%
State Colleges & Universities	2,281.4	2,532.9	2,657.1	124.2	4.9%
Transportation	841.9	856.1	886.1	30.0	3.5%
Agric./Natl Res./Environment	189.8	202.7	231.0	28.3	14.0%
Other	885.2	953.3	1,039.0	85.7	9.0%
Judicial & Legislative	253.0	271.2	293.5	22.3	8.2%
Across-the-Board Cuts	0.0	0.0	-9.8	-9.8	n.a.
	6,733.5	7,241.8	7,741.8	499.9	6.9%
Subtotal	\$11,991.9	\$12,755.8	\$13,529.1	\$773.3	6.1%
Capital	946.9	1,108.3	1,449.7	341.4	30.8%
Transfer to MDTA	0.0	20.0	19.9	-0.1	-0.5%
Transfers	17.1	0.0	2.0	2.0	n.a.
Reserve Fund	185.0	115.5	281.0	165.5	143.3%
Appropriations	\$13,140.8	\$13,999.7	\$15,281.7	\$1,282.0	9.2%
Reversions	0.0	-25.0	-25.0	0.0	0.0%
Grand Total	\$13,140.8	\$13,974.7	\$15,256.7	\$1,282.0	9.2%

Note: Detail may not add to total due to rounding. FY 2000 reflects deficiency appropriations and \$33.6 million in cuts to the deficiencies. Both FY 2000 and FY 2001 reflect Supplemental Budgets #1 and #2.

Exhibit A.7 (continued)
State Expenditures -- All Funds
(\$ in Millions)

Category	Actual FY 1999	Work App. FY 2000	Leg. Appr. FY 2001	\$ Diff. 00 to 01	% Diff. 00 to 01
Debt Service	\$550.5	\$592.1	\$584.7	-\$7.4	-1.3%
Aid to Local Governments					
General Government	615.9	617.5	676.5	59.0	9.6%
Community Colleges	129.0	141.8	163.0	21.2	14.9%
Education & Libraries	2,975.7	3,093.6	3,241.8	148.3	4.8%
Health	49.4	52.4	56.1	3.7	7.1%
	3,770.1	3,905.2	4,137.4	232.1	5.9%
Entitlements					
Foster Care Payments	182.8	175.3	196.8	21.5	12.3%
Assistance Payments	423.1	466.2	393.1	-73.1	-15.7%
Medical Assistance	2,179.5	2,417.7	2,566.8	149.1	6.2%
Property Tax Credits	48.7	55.2	55.6	0.4	0.8%
	2,834.1	3,114.4	3,212.3	97.9	3.1%
State Agencies					
Health	1,360.2	1,491.3	1,616.3	125.1	8.4%
Human Resources	687.0	747.0	823.6	76.7	10.3%
Systems Reform Initiative	74.0	80.9	90.2	9.4	11.6%
Juvenile Justice	136.4	142.2	157.0	14.8	10.4%
Public Safety & Police	878.1	937.3	992.2	54.8	5.8%
State Colleges & Universities	2,281.4	2,532.9	2,657.1	124.2	4.9%
Transportation	862.3	880.4	910.5	30.1	3.4%
Agric./Natl Res./Environment	232.6	247.4	278.3	30.9	12.5%
Other	1,227.9	1,314.3	1,418.3	104.0	7.9%
Judicial & Legislative	254.5	273.0	295.7	22.7	8.3%
Across-the-Board Cuts	0.0	0.0	-11.8	-11.8	n.a.
	7,994.5	8,646.8	9,227.5	580.7	6.7%
Subtotal	\$15,149.2	\$16,258.5	\$17,161.9	\$903.4	5.6%

Capital	1,322.4	1,610.8	2,095.0	484.2	30.1%
Transfer to MDTA	0.0	20.0	19.9	-0.1	-0.5%
Transfers	17.1	0.0	2.0	2.0	n.a.
Reserve Fund	185.0	115.5	281.0	165.5	143.3%
Appropriations	\$16,673.6	\$18,004.8	\$19,559.8	\$1,555.0	8.6%
Reversions	0.0	-25.0	-25.0	0.0	0.0%
Grand Total	\$16,673.6	\$17,979.8	\$19,534.8	\$1,555.0	8.6%

Note: Detail may not add to total due to rounding. FY 2000 reflects deficiency appropriations and \$33.6 million in cuts to the deficiencies. Both FY 2000 and FY 2001 reflect Supplemental Budgets #1 and #2.

	Exhibit A.8 Budget Outlook (\$ In Millions)					
	Fiscal <u>2000</u>	Fiscal <u>2001</u>	Fiscal <u>2002</u>	Fiscal <u>2003</u>	Fiscal <u>2004</u>	Fiscal <u>2005</u>
Revenues						
Fund Balance	583	805	20	0	0	0
Transfer from reserve fund	160	0	445	45	10	10
	743	805	465	45	10	10
Operating Revenues	9,092	9,384	9,745	10,163	10,680	11,223
Revenue Actions - Legislation	-17	-60	-72	-49	-49	-48
Subtotal	9,076	9,325	9,672	10,114	10,631	11,175
Total Revenues	9,819	10,129	10,137	10,159	10,641	11,185
Spending						
Operating Spending	8,583	9,183	9,732	10,199	10,617	11,064
Expenditure Actions - Legislation	0	0	80	101	107	97
	8,583	9,183	9,811	10,300	10,724	11,162
Paygo Capital	316	646	521	371	237	216
Appropriations to reserve funds	115	281	5	0	0	0
	431	927	526	371	237	216
Total Expenditures	9,014	10,110	10,338	10,671	10,961	11,378
Ending Balance	805	20	-200	-513	-320	-192
Revenue Stabilization Fund						
Ending Balance	580	921	510	508	533	560
As a Percent of Revenues	6.4%	9.9%	5.3%	5.0%	5.0%	5.0%
Balance Exceeding 5% of General Fund Revenues	125.8	455.0	26.6	2.8	1.5	1.0

Note: Detail may not add to total due to rounding.

Other	0.0	175.0	0.0	50.0	426.7	693.4	
Adjustments							(\$2.0)
Deauthorization	(2.0)	0.0	0.0	0.0	0.0	0.0	
Total FY 2001	\$460.0	\$210.0	\$0.0	\$644.5	\$655.4	\$695.7	\$2,665.6
Qualified Zone Academy Bonds	9.8	0.0	0.0	0.0	0.0	0.0	9.8

Note: Numbers may not sum to total due to rounding.

Exhibit A.10

**Non-Transportation Capital
\$1,320 Million**

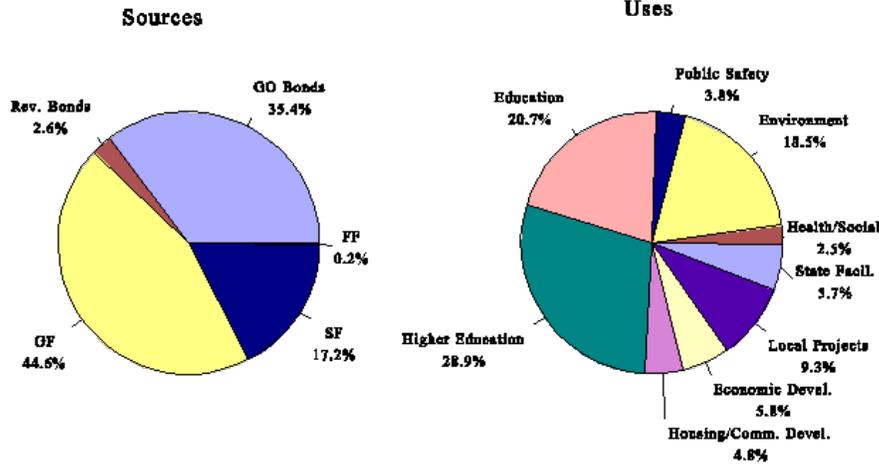


Exhibit A.11
Capital Program As Enacted - 2000 Session

Budget Code	Project Title	Bonds		Current Funds (Paygo)			Total Funds
		General Obligation	Agency	General	Special	Federal	
State Facilities							
DE02.01.s04	Annapolis Govt. Complex Security	\$0	\$0	\$2,000,000	\$0	\$0	\$2,000,000
DE02.01.s21	DHMH: Lab Tower Ductwork	0	0	1,000,000	0	0	1,000,000
DE02.01.s80	MSP: QA Barrack Undergrnd Oil Tank Repl.	0	0	60,000	0	0	60,000
DE02.01A	Legislative Facilities	21,672,000	0	0	0	0	21,672,000
DE02.01B	DGS: Maintenance Building	990,000	0	0	0	0	990,000
DE02.01C	Facilities Renewal	12,576,000	0	425,000	300,000	0	13,301,000
DE02.01D	CFC Mitigation	1,250,000	0	0	0	0	1,250,000
DE02.01E	Asbestos Abatement	1,642,000	0	0	0	0	1,642,000
DE02.01F	DGS: Omega Sprinkler Head Replacement	1,000,000	0	0	0	0	1,000,000
DE02.01G	Underground Heating Oil Storage Tanks	250,000	0	0	0	0	250,000
DE02.01H	Judiciary: Carroll County Dist. Court	7,978,000	0	0	0	0	7,978,000
DE02.01I	Judiciary: Silver Spring Dist. Court	620,000	0	4,000,000	0	0	4,620,000
DE02.BA.1	Judiciary: Rockville District Court	0	0	4,600,000	0	0	4,600,000
DE02.BB.1	Statewide High Speed Data Network	0	0	10,600,000	0	0	10,600,000
DE02.BB.2	Public Safety Communications System	0	0	5,000,000	0	0	5,000,000
DP00.04	DVA: Garr. Forest Cem. - Maint. Bldg.	0	0	0	0	509,000	509,000
	Subtotal	\$47,978,000	\$0	\$27,685,000	\$300,000	\$509,000	\$76,472,000
Health/Social							
DA07A	Aging: Senior Citizens Activities Centers	633,000	0	0	0	0	633,000
DE02.CA	BPW: Accessibility for the Disabled	0	0	1,600,000	0	0	1,600,000
MA01A	DHMH: Adult Day Care	1,429,000	0	0	0	0	1,429,000
MA01B	DHMH: Community Mental Health	5,320,000	0	0	0	0	5,320,000
MI03A	DHMH: W. Md. Center HVAC System	443,000	0	57,000	0	0	500,000
ML10A	Perkins: Rehab. Services Wing	2,820,000	0	0	0	0	2,820,000
VA01.08	DJJ: Western Maryland Detention Center	0	0	6,966,000	0	0	6,966,000
VA01A	DJJ: Juvenile Facilities Grant Program	645,000	0	0	0	0	645,000
VA01B	DJJ: Balt. City Juvenile Justice Ctr.	2,037,000	0	0	0	0	2,037,000

VA01C	DJJ: Eastern Shore Detention Center	6,403,000	0	0	0	0	6,403,000
ZD00A	MHA Private Hospitals	4,690,000	0	0	0	0	4,690,000
	Subtotal	\$24,420,000	\$0	\$8,623,000	\$0	\$0	\$33,043,000
Environment							
DA13.02	MEA: Comm. Energy Loan Prg. (CELP)	0	0	0	1,000,000	0	1,000,000
DA13.03	MEA: State Agency Loan Prg. (SALP)	0	0	0	1,100,000	0	1,100,000
DE02.01.s03	Rocky Gap Amphitheater	0	0	1,395,000	0	0	1,395,000
DE02.01.s88	Hurricane Floyd Related Projects	0	0	3,275,000	0	0	3,275,000
DE02.DA.2	Western Maryland Flood Mitigation	0	0	3,900,000	0	0	3,900,000
KA01A	Smith Island Environmental Restoration	400,000	0	0	0	0	400,000
KA04.07	Parks Improvement Program	0	0	3,000,000	0	0	3,000,000
KA05.10.001	POS: Land Acq. & Local Program	0	0	0	58,010,000	250,000	58,260,000
KA05.10.004	POS: Capital Development Projects	0	0	0	8,718,000	0	8,718,000
KA05.11	DNR: Waterway Improvement	0	0	0	5,250,000	0	5,250,000
KA05.12	DNR: O.C. Beach Maint. Local Share	0	0	0	1,000,000	0	1,000,000
KA05A	DNR: Rural Legacy	16,000,000	0	0	11,861,000	0	27,861,000
KA17.09	DNR: Fish Passage	0	0	0	70,000	305,600	375,600
LA11.11	MDA: Ag. Land Preservation	0	0	0	21,652,000	0	21,652,000
LA15.05	MDA: Ag. Cost-Share Program	0	0	6,200,000	0	0	6,200,000
UA01.03	MDE: Water Quality Revol. Loan Fund	0	0	6,514,000	60,000,000	0	66,514,000
UA01.04	MDE: Hazardous Substance Cleanup	0	0	750,000	0	0	750,000
UA01.05	MDE: Drinking Water Revol. Loan Fund	0	0	1,531,000	9,500,000	0	11,031,000
UA04A.1	CBWQ: Biological Nutrient Removal	14,000,000	0	0	0	0	14,000,000
UA04A.2	CBWQ: Supplemental Assistance	2,505,000	0	0	0	0	2,505,000
UA04A.3	CBWQ: Small Creek & Estuaries	1,000,000	0	0	0	0	1,000,000
UA04A.4	CBWQ: Stormwater Pollution Control	1,250,000	0	0	0	0	1,250,000
UA04B	MDE: Water Supply Assistance	2,000,000	0	0	0	0	2,000,000
UB00A	MES: Infrastructure Improvements	3,569,000	0	0	0	0	3,569,000
	Subtotal	\$40,724,000	\$0	\$26,565,000	\$178,161,000	\$555,600	\$246,005,600
Public Safety							
DE02.01.s05	AA County Detention Center	0	0	1,041,000	0	0	1,041,000
QA01.05	MCI-J Perimeter Security Improvements	0	0	3,147,000	0	0	3,147,000
QA01.05.s01	Patuxent Inst. Perimeter Sec.\Gatehouse	0	0	3,300,000	0	0	3,300,000
QA01.05.s02	Hagerstown Central Kitchen	0	0	850,000	0	0	850,000
QA01.05.s03	MCTC: Perimeter Security Improvements	0	0	1,800,000	0	0	1,800,000
QA01.05.s05	MCI-W: Kitchen/Dining Renov./Addition	0	0	1,200,000	0	0	1,200,000
QB05A	MCI-W Support Services Building	497,000	0	0	0	0	497,000
QB06A	Central Laundry - Kitchen/Dining Hall	277,000	0	0	0	0	277,000
QB06B	Central Laundry - Steam Plant	3,695,000	0	0	0	0	3,695,000
QB08A	WCI - 512-bed Expansion Housing Unit	18,474,000	0	0	0	0	18,474,000
QD00A	Patuxent - Kitchen / Dining Areas	90,000	0	500,000	0	0	590,000
QD00B	Patuxent - Fire Safety Improvements	305,000	0	0	0	0	305,000
WA01A	DSP: Crime Laboratory	667,000	0	0	0	0	667,000
WA01B	DSP: Fred. Co. Law Enforc. Ctr.	259,000	0	0	0	0	259,000
WA01C	DSP: Princess Anne Barrack/Garage	2,901,000	0	0	0	0	2,901,000
WA01D	DSP: North East Barrack/Garage	289,000	0	0	0	0	289,000
ZB02A	Jail: Allegany Co. Detention Center	428,000	0	0	0	0	428,000
ZB02B	Jail: Frederick Co. Detention Ctr.	2,394,000	0	0	0	0	2,394,000
ZB02C	Jail: Montgomery Co. Detention Ctr.	7,703,000	0	0	0	0	7,703,000
ZB02D	Jail: Prince George's Co. Detention Ctr.	1,176,000	0	0	0	0	1,176,000
	Subtotal	\$39,155,000	\$0	\$11,838,000	\$0	\$0	\$50,993,000
Education							
DE02.01.s89	Solar Energy Pilot Projects - Sch. Const.	0	0	250,000	0	0	250,000
DE02.02A	Public School Construction	86,900,000	0	171,700,000	2,400,000	0	261,000,000
RP00A	MPT: Owings Mills Advanced TV Trans.	3,489,000	0	0	0	1,225,900	4,714,900
	Subtotal	\$90,389,000	\$0	\$171,950,000	\$2,400,000	\$1,225,900	\$265,964,900
Higher Education							
DE02.01.s02	FSU: Temporary Academic Bldg.	0	0	500,000	0	0	500,000
DE02.01.s08	AACC: Ctr. for Applied Learning & Tech.	0	0	525,000	0	0	525,000
DE02.01.s26	MSU: Montebello Site Improvements	0	0	2,052,000	0	0	2,052,000
DE02.01.s33	UB: Ctr. for Fam., Children & the Courts	0	0	500,000	0	0	500,000
DE02.01.s41	UMBC: Biological Sci. Bldg.	0	0	500,000	0	0	500,000
DE02.01.s67	PGCC: Bladen & Lanham Halls Renov.	0	0	525,000	0	0	525,000
DE02.01.s82	SMC: Somerset Hall Expansion	0	0	1,087,000	0	0	1,087,000
DE02.01.s84	SSU: New Science Bldg. Suppl.	0	0	500,000	0	0	500,000
DE02.01.s85	USM: Assateague Is. Ed. & Research Ctr.	0	0	1,500,000	0	0	1,500,000
DE02.AA.1	UMB: Health Sci. Research Facility II	0	0	44,428,000	0	0	44,428,000
DE02.AA.2	UMB: Dental School	0	0	22,000,000	0	0	22,000,000

DE02.AB.1	UMCP: New Arena	0	0	25,645,000	0	0	25,645,000
DE02.AC	BSU: New Science Building	0	0	9,930,000	0	0	9,930,000
DE02.AD.1	TU: Regional Sports Complex	0	0	7,000,000	0	0	7,000,000
DE02.AD.2	TU: Fine Arts Renovation/Addition	0	0	3,030,000	0	0	3,030,000
DE02.AE	UMES: Waters Dining Hall/Somerset Hall	0	0	475,000	0	0	475,000
DE02.AF	FSU: New Compton Science Center	0	0	24,766,000	0	0	24,766,000
DE02.AG	UB: Charles Hall	0	0	3,000,000	0	0	3,000,000
DE02.AH.1	UMBC: Chemistry/Physics Building	0	0	14,100,000	0	0	14,100,000
DE02.AH.2	UMBC: Info. Technology-Engineering	0	0	4,199,000	0	0	4,199,000
DE02.AH.3	UMBC: Public Policy Institute	0	0	1,215,000	0	0	1,215,000
DE02.AI	CEES: Aqua. & Restor. Ecology Lab	0	0	1,490,000	0	0	1,490,000
DE02.AJ	UMBI: CARB II Building	0	0	2,755,000	0	0	2,755,000
DE02.AK	USM: Hagerstown Educational Center	0	0	697,000	0	0	697,000
DE02.AN.1	JHU: Broadway Research Building	0	0	7,933,000	0	0	7,933,000
DE02.AN.2	JHU: School of Hygiene and Public Health	0	0	2,067,000	0	0	2,067,000
RB21A	UMB: Law School and Marshall Library	3,000,000	0	1,500,000	0	0	4,500,000
RB22.rb1	UMCP: Key and Taliaferro Halls	0	2,300,000	0	0	0	2,300,000
RB22.rb2	UMCP: Hornbake & McKeldin Libraries	0	1,400,000	0	0	0	1,400,000
RB22A	UMCP: Engineering and App. Sciences Bldg.	24,300,000	10,000,000	6,203,000	0	0	40,503,000
RB22B	UMCP: Chemistry Teaching Building	23,200,000	0	0	0	0	23,200,000
RB22C	MFRI: Southern MD Regional Training Ctr.	3,628,000	0	0	0	0	3,628,000
RB22D	MFRI - New Headquarters Bldg.	3,588,000	0	0	0	0	3,588,000
RB22E	UMCP: Smith Business School	2,000,000	0	0	0	0	2,000,000
RB23A	BSU: Campuswide Site Impr.	2,500,000	0	0	0	0	2,500,000
RB24A	TU: 7800York Road	8,334,000	2,000,000	0	0	0	10,334,000
RB25A	UMES: Food Sci. and Tech. Ctr.	7,700,000	0	0	0	0	7,700,000
RB25B	UMES: Soc. Sci., Ed. & Health Bldg.	1,052,000	0	0	0	0	1,052,000
RB25C	UMES: Phys. Plant-Central Receiv. Bldg.	588,000	0	0	0	0	588,000
RB26A	FSU: Gunter Hall	3,747,000	0	0	0	0	3,747,000
RB36.rb1	USM: Capital Facilities Renewal	0	9,300,000	0	0	0	9,300,000
RB36A	USM: Underground Heating Oil Tanks	1,000,000	0	0	0	0	1,000,000
RB36B	USM: Shady Grove Educational Facility	800,000	0	0	0	0	800,000
RC00A	BCCC: Liberty Campus Main Bldg.	16,244,000	0	0	0	0	16,244,000
RI00A	MHEC: Community Colleges	20,629,000	0	1,110,000	0	0	21,739,000
RI00B	MHEC: Takoma Park CC Expansion	760,000	0	0	0	0	760,000
RI00C	College of Southern Maryland	1,065,000	0	0	0	0	1,065,000
RM00A	MSU: Sci. Resrch. Bldg. & Greenhse.	13,550,000	0	0	0	0	13,550,000
RM00B	MSU: Communications Center	572,000	0	0	0	0	572,000
RQ00A	UMMS: Diagnostic & Treatment Facil.	11,000,000	0	0	0	0	11,000,000
ZA00C	JHU: Cancer Research Building	5,000,000	0	0	0	0	5,000,000
ZA00G	SMHEC: Classroom Building #2	5,177,000	0	0	0	0	5,177,000
ZA00I	Eastern Shore Higher Education Ctr.	525,000	0	0	0	0	525,000
ZC00A	MICUA: Private Higher Ed. Grants	6,000,000	0	3,000,000	0	0	9,000,000
	Subtotal	\$165,959,000	\$25,000,000	\$194,232,000	\$0	\$0	\$385,191,000

Housing/Community Development

DB01.52	HSMC: St. John's Arch. Site Exhibit	0	0	1,510,000	0	0	1,510,000
SA23.06.02	MHT: Revolving Loan Fund	0	0	0	450,000	0	450,000
SA23A	MHT: Capital Grant Fund	600,000	0	1,400,000	0	0	2,000,000
SA23B	DHCD: Banneker-Douglass Museum	3,810,000	0	180,000	0	0	3,990,000
SA23C	Jeff. Patt: Museum Visitors' Center	1,704,000	0	0	0	0	1,704,000
SA24.02	DHCD: Neighborhood Business Devel.	0	0	7,307,000	693,000	0	8,000,000
SA25.07	DHCD: Rental Housing Programs	0	0	9,218,000	4,282,000	0	13,500,000
SA25.08	DHCD: Homeownership Programs	0	0	3,119,000	5,431,000	0	8,550,000
SA25.09	DHCD: Special Loan Programs	0	0	5,142,000	5,108,000	0	10,250,000
SA25A	DHCD: Partnership Rental Housing	12,474,000	0	0	0	0	12,474,000
SA25B	DHCD: Shelter & Trans. Housing	1,000,000	0	0	0	0	1,000,000
	Subtotal	\$19,588,000	\$0	\$27,876,000	\$15,964,000	\$0	\$63,428,000

Economic Development

DU00.02	Canal Place Improvements	0	0	2,224,000	0	0	2,224,000
TF00.09.01	MSBDFA: Small Business Devel. Fin.	0	0	2,100,000	4,200,000	0	6,300,000
TF00.10	Day Care Facil. Direct Loan Program	0	0	0	800,000	0	800,000
TF00.11	Indust. & Commercial Redevel. (MICRF)	0	0	0	12,000,000	0	12,000,000
TF00.12	Maryland Industrial Land Act (MILA)	0	0	0	5,000,000	0	5,000,000
TF00.13	Animal Waste Technology Fund	0	0	1,000,000	0	0	1,000,000
TF00.14	MIDFA: Bond Insurance Fund	0	0	2,500,000	0	0	2,500,000
TF00.17	Enterprise Investment Fund	0	0	0	8,000,000	0	8,000,000
TF00.19	Challenge Investment Program	0	0	0	1,000,000	0	1,000,000
TF00.23	MD Economic Devel. Assistance Fund	0	0	10,000,000	0	0	10,000,000

TF00.24	MD Competitive Advantage Finan. Prgm.	0	0	1,825,000	0	0	1,825,000
TF00.25	Smart Growth Economic Infrastr. Fund	0	0	10,000,000	0	0	10,000,000
TF00.26	Brownfields Revitalization Fund	0	0	0	800,000	0	800,000
YA03.01	Econ. Devel. Opportunities (Sunny Day)	0	0	15,500,000	0	0	15,500,000
	Subtotal	\$0	\$0	\$45,149,000	\$31,800,000	\$0	\$76,949,000
Local Projects							
DA03.60	MSA: Hippodrome Performing Arts Ctr.	0	10,000,000	13,000,000	0	0	23,000,000
DA03.61	MSA: Memorial Stadium Redevelopment	0	0	3,000,000	0	0	3,000,000
DE02.01.s01	Frostburg Recreation Center	0	0	335,000	0	0	335,000
DE02.01.s07	Brooklyn Park Middle Sch./Comm. Ctr.	0	0	1,250,000	0	0	1,250,000
DE02.01.s09	Highland Beach Town Hall	0	0	150,000	0	0	150,000
DE02.01.s11	Kunta Kinte - Alex Haley Memorial	0	0	300,000	0	0	300,000
DE02.01.s13	Owensville Primary Care Ctr.	0	0	200,000	0	0	200,000
DE02.01.s14	Quiet Waters Park Amphitheater	0	0	200,000	0	0	200,000
DE02.01.s15	Aunt Hattie's Place, Inc.	0	0	500,000	0	0	500,000
DE02.01.s16	Balt. City Demolition Projects	0	0	2,000,000	0	0	2,000,000
DE02.01.s17	Baltimore Healthy Neighborhoods	0	0	1,000,000	0	0	1,000,000
DE02.01.s18	BSO Myerhoff Symphony Hall	0	0	1,000,000	0	0	1,000,000
DE02.01.s19	Balt. City - Playing Safe	0	0	200,000	0	0	200,000
DE02.01.s20	Balt. City School Playgrounds	0	0	867,000	0	0	867,000
DE02.01.s22	Fred. Doug. - Isaac Myers Maritime Park	0	0	1,500,000	0	0	1,500,000
DE02.01.s23	Great Blacks in Wax Museum	0	0	750,000	0	0	750,000
DE02.01.s24	Main Street Redevel. Projects	0	0	500,000	0	0	500,000
DE02.01.s25	Maryland Historical Society	0	0	1,000,000	0	0	1,000,000
DE02.01.s27	Kennedy Krieger - National Behavior Ctr.	0	0	1,000,000	0	0	1,000,000
DE02.01.s28	Outward Bound - Leakin Park Campus	0	0	500,000	0	0	500,000
DE02.01.s29	Park Heights Comm. Men's Health Ctr.	0	0	350,000	0	0	350,000
DE02.01.s30	Patterson Park Comm. Devel. Corp.	0	0	200,000	0	0	200,000
DE02.01.s32	Southeast Properties Phase 2	0	0	1,000,000	0	0	1,000,000
DE02.01.s35	Walters Art Gallery	0	0	1,000,000	0	0	1,000,000
DE02.01.s36	Chesterwood Park	0	0	1,000,000	0	0	1,000,000
DE02.01.s37	Dundalk Revitalization	0	0	1,750,000	0	0	1,750,000
DE02.01.s39	North Point Indoor Soccer Facility	0	0	900,000	0	0	900,000
DE02.01.s40	Randallstown-Liberty Road Revitalization	0	0	1,750,000	0	0	1,750,000
DE02.01.s42	North Beach Erosion Control	0	0	400,000	0	0	400,000
DE02.01.s43	Harriet Tubman Ctr.	0	0	50,000	0	0	50,000
DE02.01.s44	Carl and Norma Miller Children's Ctr.	0	0	767,000	0	0	767,000
DE02.01.s45	Howard Co. Tech. Business Incubator	0	0	150,000	0	0	150,000
DE02.01.s46	Bethesda Acad. of Perf. Arts (BAPA)	0	0	1,500,000	0	0	1,500,000
DE02.01.s47	Chelsea School, Inc.	0	0	300,000	0	0	300,000
DE02.01.s48	George Meany Ctr. - Kirkland Ctr.	0	0	1,000,000	0	0	1,000,000
DE02.01.s49	Germantown Boys & Girls Club	0	0	500,000	0	0	500,000
DE02.01.s50	Ivymount School	0	0	1,000,000	0	0	1,000,000
DE02.01.s51	Jubilee Association	0	0	250,000	0	0	250,000
DE02.01.s52	Liz Lerman Dance Exchange	0	0	300,000	0	0	300,000
DE02.01.s53	Lone Oak Center	0	0	500,000	0	0	500,000
DE02.01.s54	Montgomery Co. Equestrian Ctr.	0	0	600,000	0	0	600,000
DE02.01.s55	Olney Boys & Girls Club Comm. Park	0	0	500,000	0	0	500,000
DE02.01.s56	Olney Theater	0	0	1,500,000	0	0	1,500,000
DE02.01.s57	Penn Place - Garrett Park	0	0	500,000	0	0	500,000
DE02.01.s58	Pyramid Atlantic - Site for Electr. Media	0	0	250,000	0	0	250,000
DE02.01.s59	R. S. Lourie Ctr. for Infants & Young Child.	0	0	250,000	0	0	250,000
DE02.01.s60	Rockville Town Center Parking Garage	0	0	1,000,000	0	0	1,000,000
DE02.01.s61	Sandy Spring Slave Museum	0	0	50,000	0	0	50,000
DE02.01.s63	Strathmore Hall Performing Arts Ctr.	0	0	1,000,000	0	0	1,000,000
DE02.01.s64	Takoma Park Learning Ctr.	0	0	500,000	0	0	500,000
DE02.01.s66	Cheverly Health Ctr.	0	0	500,000	0	0	500,000
DE02.01.s68	Children's Guild, Inc.	0	0	200,000	0	0	200,000
DE02.01.s69	Cottage City - Town Hall	0	0	60,000	0	0	60,000
DE02.01.s70	District Heights - Infrastructure Imprv.	0	0	200,000	0	0	200,000
DE02.01.s71	Edgemoad - Md. Ctr. for Youth & Fam. Dev.	0	0	500,000	0	0	500,000
DE02.01.s72	Glenarden Municipal Bldg.	0	0	250,000	0	0	250,000
DE02.01.s73	Hard Bargain Farm	0	0	300,000	0	0	300,000
DE02.01.s74	Jordan Baptist Church - House of Healing	0	0	150,000	0	0	150,000
DE02.01.s75	National Philippine Cultural Ctr.	0	0	250,000	0	0	250,000
DE02.01.s76	Phelps Center	0	0	570,000	0	0	570,000
DE02.01.s77	Pullen Performing Arts Ctr.	0	0	500,000	0	0	500,000
DE02.01.s78	Southern Area Tech. Ctr.	0	0	250,000	0	0	250,000

DE02.01.s79	Suitland Revitalization Project	0	0	3,000,000	0	0	3,000,000
DE02.01.s81	Patuxent River Naval Air Museum	0	0	250,000	0	0	250,000
DE02.01.s86	Boundless Playgrounds	0	0	1,000,000	0	0	1,000,000
DE02.01.s87	Comm. Devel. Ventures, Inc.	0	0	2,000,000	0	0	2,000,000
DE02.01.s90	World War II Memorial	0	0	250,000	0	0	250,000
DE02.BA.3	Baltimore City Circuit Crt.-ADA Improv.	0	0	750,000	0	0	750,000
DE02.DA.1	Maryland Science Center	0	0	4,000,000	0	0	4,000,000
DE02.DA.3	National Aquarium	0	0	3,000,000	0	0	3,000,000
DE02.DA.4	Ripken Stadium & Youth Baseball Acad.	0	0	3,000,000	0	0	3,000,000
DE02.DA.5	Essex/Middle River Waterfront Revital.	0	0	3,000,000	0	0	3,000,000
DE02.DA.6	Gaithersburg Town Center	0	0	2,000,000	0	0	2,000,000
DE02.DA.7	Bowie Civic Auditorium	0	0	2,000,000	0	0	2,000,000
DE02.DA.8	Bladensburg Waterfront Park	0	0	850,000	0	0	850,000
DE02.DA.9	Worcester Co. Government Bldg.	0	0	1,000,000	0	0	1,000,000
ZA00A	Baltimore Children's Museum	1,000,000	0	450,000	0	0	1,450,000
ZA00B	Glen Echo Park Restoration	2,000,000	0	0	0	0	2,000,000
ZA00D	Kennedy Krieger Career & Tech. HS	2,000,000	0	0	0	0	2,000,000
ZA00E	Lucas Art Collection	850,000	0	0	0	0	850,000
ZA00F	Silver Spring Redevelopment	5,000,000	0	0	0	0	5,000,000
ZA00H	Maryland Hall for the Creative Arts	250,000	0	250,000	0	0	500,000
ZZ00A	Legislative Initiatives	22,645,000	0	0	0	0	22,645,000
	Subtotal	\$33,745,000	\$10,000,000	\$80,599,000	\$0	\$0	\$124,344,000
Transportation							
ZG00	Transportation	0	175,000,000	50,000,000	426,748,870	693,441,258	1,345,190,128
	Subtotal	\$0	\$175,000,000	\$50,000,000	\$426,748,870	\$693,441,258	\$1,345,190,128
Deauthorizations							
ZF00A	Deauthorizations as Introduced	-1,958,000	0	0	0	0	-1,958,000
	Subtotal	-\$1,958,000	0	0	0	0	-\$1,958,000
Total		\$460,000,000	\$210,000,000	\$644,517,000	\$655,373,870	\$695,731,758	\$2,665,622,628
	Qualified Zone Academy Bonds	9,828,000	0	0	0	0	9,828,000

**Exhibit A.12
Legislative Projects - 2000 Session
Final Action**

HB	House Sponsor	SB	Senate Sponsor	Project Title	Co.	Dollars	Match
Private Higher Education							
909	Rosenberg			Loyola College	State	200,000	Soft(3)
837	Kopp			Maryland Institute, College of Art	State	2,900,000	Soft(3)
1256	Busch			St. John's College	State	2,900,000	Soft(3)
				Subtotal - Private Higher Education		\$6,000,000	
MHA Hospitals							
		23	Astle	Anne Arundel Medical Center	State	250,000	Hard
		95	Senators	Carroll County General Hospital, Inc.	State	640,000	Soft(3)
873	Delegation			Frederick Memorial Health Care Sys.	State	250,000	Soft(3)
		680	Conway	Good Samaritan Hospital	State	300,000	Soft(3)
397	Harrison			Kennedy-Kreiger Children's Hospital	State	1,250,000	Soft(3)
		326	Dorman	Prince George's Hospital Center, Inc.	State	1,000,000	Soft(3)
401	Kopp			Suburban Hospital Healthcare System	State	1,000,000	Hard
				Subtotal - MHA Hospitals		\$4,690,000	
Bond Bills - Statewide							
122	McHale			Baltimore Museum of Industry	State	250,000	Soft(2)
		291	McFadden	Lyric Opera	State	500,000	Soft(3)
		777	Mitchell	Star Spangled Flag Hse. & 1812 Mus.	State	100,000	Hard
		254	Bromwell	U.S.S. Constellation	State	475,000	Soft(2,3)
				Subtotal - Bond Bills - Statewide		\$1,325,000	
Local Projects							
		631	Hafer	Western Maryland Scenic Railroad	Alleg	175,000	Soft(all)
		327	Neall	Community Center at Woods	AA	500,000	Soft(3)
		582	Neall	Heritage Harbour Respite Care Home	AA	150,000	Hard
352	Claggett			Lula G. Scott Comm. Ctr. Renovation	AA		Hard

						200,000	
826	Love			Maryland Therapy and Education Ctr.	AA	100,000	Hard
1176	Doory			Balt. City FOP - Memorial	BCity	50,000	Hard
198	Jones			Druid Heights Daycare/Comm. Ctr.	BCity	200,000	Hard
905	Rosenberg			Family Tree	BCity	400,000	Soft(3)
199	Jones			Goodwill Industries	BCity	450,000	Hard
		544	Hughes	Grace Outreach Center	BCity	150,000	Soft(2,3)
		304	Sfikas	Greektown Plateia	BCity	400,000	Hard
775	Kirk			Hiram Grand Foundation Comm. Ctr.	BCity	250,000	Soft(1)
450	Marriott			New Song Community Center	BCity	300,000	Hard
965	Oaks			Park Hts. Golf Range & Fam. Sports Pk.	BCity	250,000	Soft(1)
		885	Blount	R.A. Carr Educ, Trng., & Empowerment	BCity	175,000	Soft(all)
		121	Della	South Baltimore Learning Center	BCity	350,000	Soft(1)
554	Paige			St. Frances Academy	BCity	300,000	Hard
		397	Conway	The League for People with Disabilities	BCity	400,000	Hard
1418	Montague			The Morgan Center	BCity	400,000	Soft(U,all)
1351	Marriott			W.W. Payne Education & Comm. Ctr.	BCity	200,000	Hard
		860	Kasemeyer	Boys & Girls Clubs of Central Maryland	Balt	250,000	Hard
		351	Collins	Mars Ests. Elem. PAL/Rec. Ctr.	Balt	575,000	Hard
		279	Kelley	PACT: Helping Children With Spec. Needs	Balt	350,000	Soft(3)
797	Finifter			Reisterstown Elem. PAL/Rec. Ct.	Balt	575,000	Hard
750	Minnick			Todd's Inheritance	Balt	250,000	Hard
894	Burns			Woodlawn Community Center	Balt	300,000	Hard
		68	Miller	Battle Creek Nature Educ. Soc. Env. Ed. Ctr.	Cal	100,000	Hard
1395	O'Donnell			Boys & Girls Clubs of Calvert Cty.	Cal	100,000	Soft(all)
		824	Miller	Kellam Recreational Complex	Cal	250,000	Soft(all)
613	Baker			Adkins Arboretum	Carol	200,000	Soft(all)
392	Eckardt			Denton Armory Building	Carol	150,000	Hard
542	Delegation			Carroll County Agricultural Ctr.	Carr	300,000	Hard
677	Delegation			Cecil Co. Family Supp. and Educ. Ctr.	Cecil	250,000	Soft(1,3)
1359	Delegation			The Boys & Girls Clubs of Cecil County	Cecil	100,000	Soft(all)
		438	Baker	Town of Elkton	Cecil	650,000	Grant
860	Delegation			Lions Camp Merrick Program	Chas	150,000	Soft(1)
		604	Middleton	Port Tobacco Players Theater	Chas	400,000	Hard
859	Linton			Western Chas. Co. Business/Indust. Park	Chas	150,000	Grant
		470	Colburn	Meredith House	Dor	100,000	Soft(all)
960	Delegation			American Red Cross	Fred	300,000	Soft(all)
		659	Mooney	Delaplaine Visual Arts Education Center	Fred	75,000	Hard
907	Hecht			Frederick County Girl Scout Day Camp	Fred	100,000	Hard
		657	Ferguson	Weinberg Center for the Arts	Fred	200,000	Hard
652	Edwards			Garrett Information Enterprise Ctr.	Gar	500,000	Hard
118	Delegation			Florence Bain Senior Center	How	500,000	Hard
		134	McCabe	Howard County Conservancy	How	150,000	Soft(1)
885	Guns			Kent Family Center	Kent	300,000	Soft(2)
141	Walkup			Schooner Sultuna Project	Kent	100,000	Soft(2,3)
		506	Ruben	Alpha Phi Alpha Smithville School Mus.	Mont	250,000	Soft(2,3)
418	Kopp			Hebrew Home of Greater Wash.	Mont	650,000	Hard
340	Heller			Olney Boys and Girls Club Comm. Park	Mont	300,000	Soft(2,3)
		823	Hogan	Rehabilitation Opportunities	Mont	500,000	Hard
626	Franchot			Silver Spring Innovation Center	Mont	500,000	Soft(all)
291	Proctor			Bethel Recreation Center	PG	250,000	Soft (all)
665	Benson			Brentwood Veterans Memorial Park	PG	60,000	Grant
		804	Currie	Melwood - Horticultural Training Ctr. Facil.	PG	250,000	Hard
1032	Baker			Minority Access Community Center	PG	300,000	Soft(1,3)
1342	Benson			Mt. Rainier Revitalization Proj.	PG	60,000	Hard
1341	Howard			Norbrooke Knolls Center	PG	250,000	Soft(all)
		501	Dorman	Potomac Curling Club of the Nat. Cap. Area	PG	250,000	Hard

470	Healey			Riversdale Mansion	PG	300,000	Soft(1)
		892	Lawlah	Spirit of Faith Christian Center	PG	400,000	Soft(all)
		842	Green	Springhill Lake Recreation Center	PG	25,000	Hard
		839	Currie	St. Paul Community Centre	PG	400,000	Soft(3)
651	Brown			Suitland Business Incubator	PG	240,000	Soft(all)
655	Griffith			Suitland Citizens Association	PG	200,000	Soft(1)
767	Baker			Maryland Watermen's Monument	QA	85,000	Soft(all)
614	Wood			Lexington Pk. Fam. Supp. & Head Start Ctr.	SM	250,000	Hard
		256	Dyson	Summerseat Sanctuary	SM	200,000	Soft(2)
906	Conway			Three Lower Counties Comm. Serv. Clinic	Som	300,000	Soft(U,all)
962	Schisler			Chesapeake Bay Maritime Museum	Tal	400,000	Hard
		723	Munson	Agricultural/Education Center	Wash	75,000	Hard
		706	Munson	Fairgrounds Park Pavilions	Wash	75,000	Soft(2)
854	Delegation			Hagerstown Police Athletic League	Wash	50,000	Soft(all)
855	Delegation			Hagerstown YMCA Family Center	Wash	250,000	Hard
853	Delegation			The Children's Village	Wash	75,000	Soft(2)
494	Conway			Drill Academy for Youth	Wic	750,000	Soft(all)
491	Conway			Pemberton Hall Foundation	Wic	200,000	Soft(U,all)
840	Bozman			Ocean City Visitors and Info. Center	Wor	400,000	Soft(all)
195	Bozman			Pocomoke City Fair	Wor	200,000	Hard
				Local Projects		\$21,320,000	
				Subtotal - Statewide and Local Projects		\$22,645,000	
				Total - New Projects		\$33,335,000	

Match Key: 1 = Real Property; 2=In Kind; 3=Prior Expenditure; U=Unequal

Debt Affordability

The Capital Debt Affordability Committee recommended a debt limit of \$460 million in general obligation bonds to be authorized for fiscal 2001. The General Assembly authorized \$462 million in regular general obligation bond debt, offset by the deauthorization of \$2.0 million in previously authorized debt and a debt. The legislature also authorized \$9.8 million for the Aging Schools Program pursuant to the federal Qualified Zone Academy Bond (QZAB) program (described below). When issued, QZAB debt will be included in the calculations of State-tax supported debt vis-a-vis the personal income and debt service affordability criteria used in the debt affordability process.

Public School Construction

The funds available in fiscal 2001 for public school construction total \$267 million. Funding is provided through a general obligation bond authorization of \$86.9 million, \$171.7 million in general fund Paygo, \$2.4 million in special fund Paygo, and \$6 million available from previous year appropriations. Of this amount, \$193.4 million has been allocated by the Board of Public Works, leaving \$73.6 million to be allocated by the Board of Public Works in May 2000. **Exhibit A.13** shows the distribution.

Exhibit A.13
Public School Construction Funding Allocation
As Submitted to the Board of Public Works on December 30, 1999

<u>County</u>	<u>Fiscal 2001 Allocation</u>
Allegany	\$470,000
Anne Arundel	13,511,000
Baltimore City	26,486,000
Baltimore County	26,530,000
Calvert	572,000
Caroline	4,164,000
Carroll	6,617,000
Cecil	2,500,000
Charles	1,445,000
Dorchester	757,000
Frederick	12,763,000
Garrett	674,000
Harford	5,511,000
Howard	13,169,000
Kent	0
Montgomery	25,580,000
Prince George's	28,983,000

Queen Anne's	863,000
St. Mary's	11,117,000
Somerset	456,000
Talbot	3,500,000
Washington	4,291,000
Wicomico	2,680,000
Worcester	722,000
State Projects	0
Subtotal	\$193,361,000
Unallocated	73,639,000
Total	\$267,000,000

Source: Fiscal 2001 Public School Construction Capital Improvement Program and Maryland Fiscal 2001 Budget

Qualified Zone Academy Bonds - Aging Schools Program

As part of the federal Tax Reform Act of 1997, a new type of debt instrument known as Qualified Zone Academy Bonds (QZAB) was created. The bonds are sold and only the principal has to be repaid since the bond holder receives tax credits instead of interest payments. The funds can only be used for schools located in an enterprise or empowerment zone, or where at least 35 percent of the students participate in free or reduced price meals. Local matching funds are not required for the actual capital improvement; however, there is a requirement that a contribution from the private sector be obtained that is equal to 10 percent of the cost of the project during the 15-year life of the QZAB. Of the \$800 million in federal tax credits provided over two years, a total of \$9.8 million was allocated to Maryland in 1998 and 1999. *Senate Bill 894 (passed)* authorizes the Board of Public Works to sell the QZABs on behalf of the State of Maryland as an expansion of the existing Aging School Program, which provides funds to local school systems for the improvements, repairs, and deferred maintenance of public school buildings exceeding 15 years of age.

Higher Education

The fiscal 2001 capital program for all segments of higher education is \$385.2 million including general funds, general obligation bonds, and academic revenue bonds. This includes \$361.2 million for 50 projects associated with public higher education institutions. Another \$24 million funds 7 projects for private institutions. The use of the general fund surplus to increase the size of the capital program has resulted in the largest capital appropriation for higher education in State history. Fiscal 2001 is the first year of the administration's five-year, \$1.2 billion program for capital construction in higher education. The *Capital Improvement Program (CIP)* shows \$852.3 million in capital spending for higher education projects over the fiscal 2002 - 2005 period. **Exhibit A.14** shows the fiscal 2001 legislative appropriation for higher education capital and the funding anticipated in the CIP for fiscal 2002 - 2005.

Exhibit A.14
Fiscal 2001 Legislative Appropriation and Outyear Funding
(\$ in Thousands)

<u>Source</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>Total</u>
GO Bonds	\$165,959	\$122,600	\$114,250	\$110,650	\$144,200	\$657,659
Paygo	194,232	169,300	37,450	25,150	28,650	454,782
Acad. Rev. Bonds	25,000	25,000	25,000	25,000	25,000	125,000
Total	\$385,191	\$316,900	\$176,700	\$160,800	\$197,850	\$1,237,441

Source: Department of Legislative Services and Fiscal 2001 *Capital Improvement Program*.

The use of large amounts of general funds for higher education capital is relatively new. In fiscal 1999 and 2000, \$12.3 million and \$25.5 million was appropriated respectively. The full funding of the fiscal 2001 CIP depends largely on the availability of general funds in the near future. If the forecasted amounts of general fund revenues are not realized over the next few years, projects which have received funding for design could be delayed until general obligation bond funding becomes available.

Program Open Space

The fiscal 2001 budget includes \$ 75,859,025 million from transfer tax revenues for Program Open Space (POS) land acquisition and development. **Exhibit A.15** shows the allocations among the various categories. **Exhibit A.16** shows the distribution of the local Program Open Space funds.

Exhibit A.15
Fiscal 2001 Program Open Space Allocation

<u>Land Acquisition</u>	
Local Grants	\$35,612,590
Eastern Coastal Bays	1,794,568
Eastern Shore Wildlife Management Area	56,000
Eastern Shore State Forest	230,000
Nanticoke River Greenway	150,000

Patapsco State Park Greenway	985,000
Gunpowder Falls State Park	1,825,000
Rocks/Susquehanna State Park	150,000
Patuxent River Natural Resource Management	1,060,000
Parkers Creek	905,000
Potomac/Mattawoman Greenway	2,300,000
Magothy River Greenway	500,000
Southern Region Forests	150,000
Green Ridge State Forest	950,000
Youghiogheny Wild & Scenic River	752,832
Western Maryland Forests and Parks	360,000
Western Maryland Wildlife Management Area	100,000
South Mountain	730,000
Advanced Option	2,818,992
Chesapeake Bay Access	1,200,000
Scenic Rivers	1,000,000
Rails to Trails	150,000
Baltimore City Direct Grant	1,500,000
Subtotal	\$55,279,982
Capital Improvements	
Critical Maintenance Projects	\$2,050,000
Dam Rehabilitation Program	500,000
Historical Assessment Program	88,000
Ocean City Beach Maintenance Fund - State Share	1,000,000
Park Improvement Incentive Fund	500,000
Trail Assessment Program	50,000
Fair Hill Hay Barn Demolition	617,000
Fair Hill Maintenance Complex	83,000
Greenbrier Day Use	555,000
Gunpowder Bunker Hill Day Use	610,000
Isle of Wight- Phase II	650,000
Janes Island Sewer Improvements	81,000
Jonas Green State Park	330,000
Merkle Maintenance Complex	127,000
Myrtle Grove Office/Shop	594,000
Shad Landing Day Use	34,000
Patapsco Greenway Trail	849,000
Subtotal	\$8,718,000
Rural Legacy	\$11,861,043
Total	\$75,859,025

Source: Maryland Fiscal 2001 Operating Budget

Exhibit A.16
Fiscal 2001 Local Program Open Space Allocation

<u>County</u>	<u>Allocation</u>
Allegany	\$398,000
Anne Arundel	4,294,000
Baltimore	4,787,000
Calvert	525,000
Caroline	199,000
Carroll	943,000
Cecil	511,000
Charles	865,000
Dorchester	179,000
Frederick	976,000
Garrett	244,000
Harford	1,398,000
Howard	2,504,000
Kent	193,000
Montgomery	6,222,000
Prince George's	5,593,000

Queen Anne's	361,000
St. Mary's	482,000
Somerset	127,000
Talbot	264,000
Washington	754,000
Wicomico	508,000
Worcester	477,000
Baltimore City	2,809,000
Total	\$35,613,000

Source: Department of Legislative Services

Overview of State Assistance to Local Governments

State assistance to local governments accounts for about 24 percent of State spending, exclusive of federal funds. This assistance includes direct aid to county and municipal governments, school boards, library boards, community colleges, and local health departments. In fiscal 2001, \$3.2 billion in direct aid will be distributed to local governments. Approximately \$2.4 billion or 73 percent of this direct aid is targeted to public schools. The fiscal 2001 budget appropriation for direct aid to local governments represents a \$234.9 million or 7.8 percent increase over the prior year.

In addition, the State will pay \$390 million for the employer's share of retirement costs for local teachers, librarians, and community college faculty who are members of either the teachers' retirement or pension systems maintained and operated by the State. The State payments do not flow through the local government but are paid directly to the State Retirement Agency.

The State assumption of functions or responsibilities performed by local governments is another aspect of State/local fiscal relationships. In the 1990s, the State assumed responsibility for the Baltimore City jail and community college and increased funding for the Washington Metropolitan area transit system. In the case of the Baltimore City jail and community college, State costs were partially offset by reductions in direct State aid to the city. Beginning in fiscal 1995, the State also assumed responsibility for processing Baltimore City arrests through a State-run central booking facility. The total cost for these assumed functions is \$144.2 million in fiscal 2001.

Overall State assistance to local governments, including the recently assumed costs, totals almost \$3.8 billion in fiscal 2001. This amount is a \$215.5 million or 6.1 percent increase over fiscal 2000. Annual growth in aid, including the cost of assumed functions, has averaged 4.9 percent over the last ten years. (See **Exhibit A.17** for a summary of State aid since fiscal 1996 and **Exhibit A.19** for county-by-county amounts for fiscal 1999 through 2001.)

Exhibit A.17 Summary of State Assistance to Local Governments Fiscal 1996 - 2001 (\$ in Millions)

<u>Fiscal Year</u>	<u>Direct State Aid</u>	<u>Retirement Payments on Behalf</u>	<u>Subtotal</u>	<u>Functions Assumed by the State</u>	<u>Total</u>	<u>Percent Change</u>
1996	\$2,327.3	\$455.6	\$2,782.9	\$102.3	\$2,885.2	5.8%
1997	2,441.4	479.7	2,921.2	108.9	3,030.1	5.0%
1998	2,659.6	474.8	3,134.5	114.3	3,248.8	7.2%
1999	2,908.0	442.5	3,351.1	124.3	3,475.4	7.0%
2000	3,006.8	420.8	3,427.6	133.0	3,560.6	2.5%
2001	3,241.7	390.3	3,632.0	144.2	3,776.1	6.1%

State Aid Patterns

As **Exhibit A.18** indicates, the overall composition of State aid changed slightly between fiscal 2000 and 2001. State aid for public schools increased by 5.0 percent, accounting for 75 percent of total State aid. County and municipal governments received 18 percent of State aid, with most of the aid targeted for public safety, transportation, and park land acquisition or development. Community colleges, libraries, and local health departments accounted for the remaining 7 percent of State aid.

Exhibit A.18 Changes in State Aid Patterns (\$ in Millions)

	<u>Fiscal 2000</u>	<u>Percent of Total</u>	<u>Fiscal 2001</u>	<u>Percent of Total</u>	<u>Percent Increase</u>
Public Schools	\$2,602.4	75.9%	\$2,733.7	75.3%	5.0%
Libraries	37.8	1.1%	41.7	1.1%	10.3%
Community Colleges	141.8	4.1%	163.0	4.5%	14.9%
Local Health	47.9	1.4%	51.6	1.4%	7.8%
General Government	597.7	17.4%	642.1	17.7%	7.4%

Total	\$3,427.6	100.0%	\$3,632.0	100%	6.0%
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**Exhibit A.19
Summary of State Assistance to Local Governments**

Counties	FY 1999 Actual	FY 2000 Working App	FY 2001 Appropriation	Difference	% Difference FY 99-FY 01
Allegany	\$60,571	\$59,992	\$64,565	\$4,573	7.6
Anne Arundel	239,389	244,892	259,495	14,603	6.0
Baltimore City	777,271	793,931	816,174	22,243	2.8
Baltimore County	362,584	368,625	386,463	17,838	4.8
Calvert	47,000	48,996	55,621	6,625	13.5
Caroline	30,280	30,669	31,290	622	2.0
Carroll	99,352	101,626	106,280	4,654	4.6
Cecil	61,388	62,345	65,659	3,313	5.3
Charles	82,010	85,698	91,339	5,640	6.6
Dorchester	26,511	26,525	27,800	1,275	4.8
Frederick	123,113	126,391	133,304	6,912	5.5
Garrett	29,995	30,016	30,667	651	2.2
Harford	142,203	144,757	150,986	6,229	4.3
Howard	122,600	128,001	136,269	8,268	6.5
Kent	12,288	11,999	12,222	223	1.9
Montgomery	312,466	322,424	342,926	20,502	6.4
Prince George's	528,957	541,818	579,346	37,528	6.9
Queen Anne's	23,979	24,890	26,217	1,328	5.3
St. Mary's	58,193	57,152	59,692	2,541	4.4
Somerset	20,607	20,549	21,576	1,028	5.0
Talbot	12,916	12,738	12,837	98	0.8
Washington	83,064	84,173	85,635	1,462	1.7
Wicomico	61,649	62,169	65,769	3,600	5.8
Worcester	17,916	18,289	18,920	631	3.5
Unallocated	14,813	18,903	50,962	32,060	169.6
Statewide	\$3,351,116	\$3,427,568	\$3,632,015	\$204,447	6.0

**Local Costs Recently Assumed by the State
FY 1999 - FY 2001
(\$ in Thousands)**

	FY 1999	FY 2000	FY 2001
Baltimore City Com. College ⁽¹⁾	\$19,761	\$22,836	\$26,457
Baltimore City Jail ⁽²⁾	75,141	77,352	81,412
WMATA			
Montgomery	15,869	18,097	20,355
Prince George's	13,484	14,731	15,927
Total	\$124,255	\$133,016	\$144,150

Notes: ⁽¹⁾ Beginning in FY 1991, the State assumed responsibility for the New Community College of Baltimore and the city no longer received aid under the community college formula or for fringe benefits (\$10.8 million in FY 1990). Amounts shown represent total State spending for the community college.

⁽²⁾ Beginning in FY 1992, the State assumed responsibility for the Baltimore City Jail and Baltimore City no longer received aid under the police aid formula (\$37.7 million in FY 1991). The amounts also include additional State costs for the State-run Baltimore City central booking facility.

Exhibit A.20 summarizes the county-by-county distribution of direct State aid by governmental entity. It also shows estimated State retirement payments for local employees. **Exhibit A.21** compares total aid distributed to local governments in fiscal 2000 and 2001 by program.

Changes in State Aid

Direct State aid and retirement payments for local governments will increase by \$204.4 million or 6 percent in fiscal 2001. This reflects statutorily mandated increases in State aid as well as enhancements resulting from new legislation. The significant State aid changes in the fiscal 2001 State budget include the following:

- current expense education aid increases by \$53.9 million or 3.4 percent.
- compensatory education aid decreases by \$6.3 million or 5.3 percent.
- nonpublic education placements increase by \$14.1 million or 18.3 percent.

- two new programs - teacher salary and academic intervention grants increase aid by \$46.6 million.
- teacher quality incentives grants total \$11.8 million in fiscal 2001.
- class size reduction grants total \$11.7 million in fiscal 2001.
- community college formula aid increase by \$20.6 million or 18.1 percent.
- disparity grant funding increases by \$11.2 million or 16 percent.
- State paid retirement payments decrease by \$30.5 million in fiscal 2001.

Primary and Secondary Education

State aid for public schools will increase by \$131.2 million or 5 percent in fiscal 2001. State aid paid directly to local school boards increases by \$159.7 million or 7.2 percent; whereas teachers' retirement costs paid by the State on behalf of local school boards actually decrease by \$28.5 million or 7.2 percent.

Exhibit A.20 State Assistance to Local Governments FY 2001 Legislative Appropriation (\$ in Thousands)

	<i>Direct State Aid</i>							Total	Change Over FY 2000
	General Government	Community Colleges	Education	Libraries	Health	Subtotal	Retirement		
Allegany	\$12,761	\$4,035	\$41,030	\$549	\$1,097	\$59,471	\$5,094	\$64,565	\$4,573
Anne Arundel	39,265	18,736	162,596	1,811	4,540	226,947	32,549	259,495	14,603
Baltimore City	241,874	0	513,818	5,068	9,845	770,605	45,569	816,174	22,243
Baltimore	50,272	29,983	245,306	3,345	6,517	335,423	51,039	386,463	17,838
Calvert	8,938	916	38,619	275	435	49,182	6,439	55,621	6,625
Caroline	6,830	794	20,331	209	637	28,800	2,490	31,290	622
Carroll	13,236	4,146	75,517	774	1,576	95,250	11,030	106,280	4,654
Cecil	7,502	3,142	47,071	463	1,000	59,177	6,481	65,659	3,313
Charles	10,684	4,810	64,673	586	1,242	81,995	9,344	91,339	5,640
Dorchester	7,022	769	16,955	182	549	25,478	2,322	27,800	1,275
Frederick	17,310	5,195	93,721	789	1,918	118,932	14,372	133,304	6,912
Garrett	8,319	2,319	17,059	152	474	28,323	2,344	30,667	651
Harford	16,646	7,134	106,834	1,098	2,444	134,157	16,829	150,986	6,229
Howard	18,326	7,589	87,249	569	1,697	115,430	20,839	136,269	8,268
Kent	2,841	352	7,192	78	387	10,850	1,372	12,222	223
Montgomery	57,649	25,394	180,041	1,951	3,865	268,899	74,027	342,926	20,502
Prince George's	63,200	17,302	429,549	4,624	7,631	522,306	57,039	579,346	37,528
Queen Anne's	5,193	1,027	16,479	136	515	23,350	2,867	26,217	1,328
St. Mary's	7,138	1,356	43,460	494	1,088	53,537	6,156	59,692	2,541
Somerset	6,823	363	12,179	205	578	20,148	1,428	21,576	1,028
Talbot	4,461	956	4,881	77	376	10,751	2,085	12,837	98
Washington	11,809	4,795	57,615	774	1,755	76,748	8,887	85,635	1,462
Wicomico	9,501	2,623	45,654	513	1,119	59,410	6,359	65,769	3,600
Worcester	6,750	1,174	7,213	101	320	15,558	3,363	18,920	631
Unallocated	6,905	3,351	32,288	8,418	0	50,962	0	50,962	32,060
Total	\$641,256	\$148,261	\$2,367,329	\$33,239	\$51,605	\$3,241,691	\$390,324	\$3,632,015	\$204,447

Note: Detail may not add to total due to rounding. General government includes the municipal share of police aid, highway user revenue and fire aid.

Exhibit A.20 (Cont.) State Assistance to Local Governments Percent Difference between FY 2000 Working Appropriation and FY 2001 Legislative Appropriation

	<i>Direct State Aid</i>							Total
	General Government	Community Colleges	Education	Libraries	Health	Subtotal	Retirement	
Allegany	10.3%	8.1%	8.9%	2.5%	14.1%	9.1%	-7.5%	7.6%
Anne Arundel	15.9%	19.5%	5.2%	4.3%	15.1%	8.2%	-7.3%	6.0%
Baltimore City	3.3%	n.a.	3.5%	3.0%	5.8%	3.4%	-7.0%	2.8%
Baltimore	5.6%	16.6%	6.3%	4.5%	4.8%	7.0%	-7.3%	4.8%
Calvert	58.6%	13.0%	10.3%	11.3%	24.3%	16.9%	-7.2%	13.5%

Caroline	8.4%	20.0%	0.3%	3.6%	16.1%	2.9%	-7.4%	2.0%
Carroll	4.4%	12.8%	6.1%	6.7%	8.8%	6.2%	-7.3%	4.6%
Cecil	4.5%	10.4%	6.9%	8.7%	13.3%	6.9%	-7.3%	5.3%
Charles	18.4%	13.0%	6.5%	9.3%	12.5%	8.4%	-7.3%	6.6%
Dorchester	7.9%	20.0%	4.6%	3.3%	14.4%	6.1%	-7.4%	4.8%
Frederick	4.0%	20.3%	7.2%	5.5%	10.1%	7.2%	-7.3%	5.5%
Garrett	6.5%	0.3%	1.6%	1.6%	11.7%	3.0%	-7.3%	2.2%
Harford	7.0%	21.0%	4.9%	4.1%	10.0%	6.0%	-7.3%	4.3%
Howard	4.4%	17.9%	9.8%	8.5%	10.8%	9.4%	-7.3%	6.5%
Kent	4.1%	20.0%	2.7%	1.2%	-6.5%	3.2%	-7.3%	1.9%
Montgomery	4.4%	19.4%	12.3%	6.3%	-5.2%	10.8%	-7.2%	6.4%
Prince George's	19.9%	19.2%	6.9%	9.1%	7.0%	8.7%	-7.3%	6.9%
Queen Anne's	5.2%	20.0%	6.9%	-0.0%	14.8%	7.1%	-7.4%	5.3%
St. Mary's	3.8%	13.0%	6.0%	8.0%	10.9%	6.0%	-7.3%	4.4%
Somerset	6.5%	16.5%	5.0%	3.3%	16.8%	6.0%	-7.2%	5.0%
Talbot	4.5%	20.0%	-3.4%	4.2%	26.0%	2.5%	-7.3%	0.8%
Washington	2.8%	13.0%	2.0%	1.7%	9.5%	2.9%	-7.3%	1.7%
Wicomico	6.3%	16.5%	7.2%	3.6%	9.9%	7.4%	-7.3%	5.8%
Worcester	4.1%	16.5%	6.0%	6.0%	20.2%	6.1%	-7.3%	3.5%
Unallocated	48.3%	73.7%	354.8%	61.4%	n.a.	169.6%	n.a.	169.6%
Total	7.4%	18.0%	7.2%	15.6%	7.8%	7.8%	-7.2%	6.0%

Note: Detail may not add to total due to rounding. General government includes the municipal share of police aid, highway user revenue and fire aid.

Exhibit A.21
Total State Assistance to Local Governments
Direct State Aid

Program	FY 2000	FY 2001	Difference
Current Expense Aid	\$1,567,652,844	\$1,621,543,129	\$53,890,285
Compensatory Aid	119,886,982	113,548,442	-6,338,540
Transportation Aid	112,276,332	117,005,447	4,729,115
Transportation Aid - special education	5,248,879	5,587,000	338,121
Special Education - formula	81,253,345	81,253,345	0
Special Education - nonpublic	77,427,204	91,563,323	14,136,119
Magnet Schools	14,100,000	14,100,000	0
Challenge Grants	5,788,827	5,788,827	0
Adult Education	953,602	1,453,602	500,000
Targeted Poverty Grants	8,000,000	8,000,000	0
Additional Poverty Grants	18,163,360	18,163,360	0
Targeted Improvement Grants	21,400,510	21,813,199	412,689
Teacher Development Grants/Mentoring Programs	20,516,000	26,112,000	5,596,000
Teachers Salary Grants	0	35,037,996	35,037,996
Academic Intervention	0	11,599,999	11,599,999
Extended Elementary	19,262,500	19,262,500	0
Food Service Aid	4,336,664	5,300,664	964,000
Gifted and Talented Program	4,934,829	5,209,829	275,000
Limited English Proficiency Grant	25,234,200	31,156,650	5,922,450
Maryland's Tomorrow	2,347,189	0	-2,347,189
Out-of-County Foster Placements	5,609,999	5,603,042	-6,957
Aging Schools	10,370,000	10,370,000	0
Baltimore City Partnership	50,000,000	58,000,000	8,000,000
School Reconstitution	9,797,400	9,797,400	0
Education Modernization Initiative	7,836,000	10,351,001	2,515,001
School Library Media Incentive Program	3,000,000	3,000,000	0
Class Size Reduction Initiative	1,367,000	11,667,000	10,300,000
School Wiring	0	1,388,000	1,388,000
Other Programs	10,803,088	23,653,402	12,850,314
Total Primary/Secondary Education	\$2,207,566,754	\$2,367,329,157	\$159,762,403
Library Aid	23,577,326	24,821,134	1,243,808
State Library Network	5,216,702	8,418,299	3,201,597
Total Libraries	\$28,794,028	\$33,239,433	\$4,445,405
Community College Formula	114,215,802	134,856,668	20,640,866

TIAA-CREF	6,456,029	6,165,684	-290,345
Grants for ESOL Programs	999,998	1,644,546	644,548
Hold Harmless/Small College Grant	2,242,981	2,242,981	0
Statewide	1,734,803	3,350,880	1,616,077
Total Community Colleges	\$125,649,613	\$148,260,759	\$22,611,146
State Aid for Police Protection	58,949,349	59,732,294	782,945
Fire, Rescue Ambulance Services	10,000,000	10,000,001	1
9-1-1 Grants	3,471,987	4,461,920	989,933
Violent Crime Grants	5,000,000	5,000,000	0
Foot Patrol/Drug Enforcement Grants	4,462,500	4,462,500	0
Community Policing	2,000,000	2,000,000	0
Body Armor for Police	75,000	50,000	-25,000
Vehicle Theft Prevention	2,600,000	2,600,000	0
Baltimore City State's Attorney	500,000	1,342,000	842,000
Baltimore City Police Academy Study	25,000	0	-25,000
Police & Law Enforcement Officers Training Grants	100,000	100,000	0
Stop Gun Violence Grants	0	1,000,000	1,000,000
Domestic Violence Grants	0	200,000	200,000
Total Public Safety	\$87,183,836	\$90,948,715	\$3,764,879
Program Open Space	35,331,096	37,113,050	1,781,954
Chesapeake Bay Critical Area Grants	0	375,000	375,000
Total Recreation/Environment	\$35,331,096	\$37,488,050	\$2,156,954
Elderly/Handicapped Transportation	3,000,001	3,315,791	315,790
Paratransit Grants	3,382,051	2,382,051	-1,000,000
Highway User Grant	392,900,054	405,213,461	12,313,407
Total Transportation	\$399,282,106	\$410,911,303	\$11,629,197
Local Health Formula	47,892,135	51,604,868	3,712,733
Utility Restructuring Property Tax Grant	0	15,307,603	15,307,603
Disparity Grant	70,378,828	81,626,681	11,247,853
Horse Racing Impact Aid	1,330,800	1,330,800	0
Security Interest Filing Fees/Other	3,066,866	3,093,200	26,334
Prince George's Special Grants	0	50,000	50,000
Baltimore City Lead Paint Grant	0	500,000	500,000
Y2K Grants to Municipalities	292,000	0	-292,000
Total Other Direct Aid	\$4,689,666	\$4,974,000	\$284,334
Total Direct State Aid	\$3,006,768,062	\$3,241,690,569	\$234,922,507
Payments-in-Behalf			
Retirement - Libraries	8,989,431	8,439,500	-549,931
Retirement - Boards of Education	394,862,582	366,347,659	-28,514,923
Retirement - Community Colleges	16,117,637	14,699,593	-1,418,044
Retirement - Local Employees	829,971	837,231	7,260
Total Payments-in-Behalf	\$420,799,621	\$390,323,983	(\$30,475,638)
Total State Assistance	\$3,427,567,683	\$3,632,014,552	\$204,446,869

Current Expense Aid: State law provides for automatic increases in current expense formula aid based on two factors: student enrollment and prior years' spending growth. In fiscal 2001, current expense aid will increase by \$53.9 million. This is the second lowest increase this program has experienced in the last ten years, with fiscal 2000 being the lowest. The relatively small increase for fiscal 2001 is due to low student enrollment growth enrollment (0.8 percent) and moderate growth in local school appropriations (3 percent in 1997 and 1998). The current expense formula is based on school expenditures in the third and fourth prior years, thereby the fiscal 2001 formula is affected by expenditures in fiscal 1997 and 1998.

Current expense formula aid is not restricted for specific purposes and is distributed inversely to local wealth, as measured by net taxable income and property assessable base. The current expense formula is the largest State aid program accounting for 45 percent of total State assistance to local governments.

Compensatory Aid: The compensatory aid formula distributes funding to local school boards on the basis of the number of students from economically disadvantaged environments as measured by the student counts used for federal Title I aid. The Title I count for fiscal 2001 totals 113,435, a 8 percent decrease from fiscal 2000. In addition, the compensatory aid formula is tied to growth in the current expense formula in that the program's per pupil foundation is one-fourth of the foundation for the current expense formula. In fiscal 2001, the program's per pupil foundation will total \$1,001. Due to the decrease in the title 1 count, compensatory aid decreases by \$6.3 million or 5.3 percent in fiscal 2001.

Student Transportation Grants: Each county receives a grant for student transportation based on the county's grant in the previous year increased by inflation. Increases can not exceed 8 percent or be less than 3 percent. As a result of legislation enacted in 1996, counties with

enrollment increases receive additional funds. The fiscal 2001 budget includes \$117 million, reflecting a 3 percent transportation inflation rate and a 0.8 percent growth in student enrollment. The State also provides a grant for transporting disabled students. Each school board receives \$500 per special education student in excess of the number transported in fiscal 1981. The fiscal 2001 grant level of \$5.6 million is based on 11,174 students. Total funding for student transportation, including special transportation, increases by \$5.1 million in fiscal 2001.

Special Education: State aid for special education recognizes the additional costs associated with providing programs for students with disabilities. Most special education students receive services in the public schools; however, if an appropriate program is not available in the public schools, students may be placed in a private school offering more specialized services. The State and local school systems share the costs of these nonpublic placements. The \$14.1 million increase in special education funding in fiscal 2001 is for nonpublic placements.

Teachers' Retirement Costs: The State pays the employers' retirement costs for local teachers who are members of either the teachers' retirement or pension systems maintained and operated by the State. The \$28.5 million decrease in fiscal 2001 results from a 6.3 percent increase in the salary base and a 12.7 percent decrease in the employer contribution rate. The large decrease in the contribution rate is driven primarily by retirement fund investment earnings.

Teacher Salary/Academic Intervention/Baltimore City Partnership Grants: The General Assembly approved the Governor's Teacher Salary Challenge Program - Public School Funding Enhancement legislation, *Senate Bill 810/House Bill 1247 (passed)* at the 2000 session. The legislation establishes teacher salary grants, includes funding for academic intervention services, and an additional \$8 million for the Baltimore City Partnership. The fiscal 2001 State budget includes \$35 million for teacher salary grants to local school systems. Under the legislation all but \$5.3 million of the funding is contingent on local school systems providing a 4 percent cost of living increase to teachers.

The legislation provides local school systems with \$19.1 million for intervention strategies to improve the outcomes for students by providing programs for students who are not performing at grade level. The Governor has included only \$12 million in the fiscal 2001 State budget for this initiative, including \$400,000 for the Maryland State Department of Education. The remaining funds could be provided through a budget amendment or in the fiscal 2002 State budget.

The legislation also required the Governor to include at least \$8 million in additional funding in the fiscal 2001 and 2002 State budget for the Baltimore City Partnership Plan. This \$8 million as well as the teacher salary grants partially funds elements of the city remedy plan.

In sum, *Senate Bill 810/House Bill 1247* potentially provides an additional \$72.6 million to local school systems in fiscal 2001, of which \$55 million is included in the fiscal 2001 State budget. An additional \$17.5 million is not included in the fiscal 2001 State budget and therefore may not be available to local school systems.

Teacher Quality Incentives: The General Assembly passed legislation at the 1999 session (House Bill 9) that provides salary enhancements for teachers obtaining national certification, a signing bonus for teachers graduating in the top of their class, and a stipend for teachers working in a reconstitution eligible or challenge school. The fiscal 2001 State budget includes \$6.8 million in funding for these teacher quality incentives.

Class Size Reduction Grants: Local school systems will receive \$11.7 million in funding in fiscal 2001 to reduce class sizes for reading instruction in the first and second grades. The funding is based on legislation enacted by the General Assembly at the 1999 session (Senate Bill 137/House Bill 187). Montgomery County received \$1.4 million in funding in fiscal 2000 to assist the county in its class size reduction program, this funding continues in fiscal 2001.

Teacher Development/Mentoring/Certification Grants: Teacher development grants are provided to enhance teacher development programs in schools with a free or reduced price meal count of 25 percent or more of their student population. Each eligible school receives an \$8,000 grant to enhance teacher training in instructing at-risk students. In fiscal 2001 these grants will total \$5.7 million, representing a \$96,000 increase over fiscal 2000. In addition, the State provides Baltimore County with \$7.9 million for teacher mentoring programs and provides Prince George's County with \$4.5 million for teacher mentoring and certification programs. Baltimore City will receive \$2 million to develop programs to increase the number of certified teachers in the city's school system.

The special grants for these school systems did not increase in fiscal 2001. However, Anne Arundel County will receive \$500,000 to develop a teacher mentoring program in fiscal 2001 and an additional \$5 million is included for mentoring program statewide pursuant to legislation enacted at the 1999 session (House Bill 9).

Limited English Proficiency: The State provides grants to local school systems for programs for students with limited English proficiency. The grant amount totals \$1,350 per limited English proficient student. Funding for this program totals \$31.2 million in fiscal 2001, representing a \$5.9 million increase over fiscal 2000. This increase is due to a 4,387 student increase in the limited English proficiency count. Approximately 21,669 students are categorized as limited English proficient.

Education Modernization Initiative: This program provides schools access to on-line computer resources and capacity for data, voice, and video equipment. Total funding for this program is \$10.4 million, an increase of \$2.5 million.

Libraries

The State provides assistance to public libraries through a formula that determines the State and local shares of a minimum per capita library program. The minimum library program is specified in statute. For fiscal 2001, the program is based on a \$11.50 per capita grant. Overall, the State provides about 40 percent of the minimum program and the counties provide 60 percent. However, the State/local share of the minimum program varies from county to county depending on local wealth. In fiscal 2001, State library formula aid will total \$24.8 million, an increase of \$1.2 million. In addition, the State pays the employer's share of retirement costs for eligible library employees. These payments decreased by \$550,000 in fiscal 2001, due to a 12.7 percent decrease in the employer contribution rate.

The General Assembly approved legislation at the 1999 session that established a funding formula for the State Library Resource Center, beginning in fiscal 2001, that required the State to contribute a larger share of the center's funding. The legislation increased the mandatory State funding to \$7 million in fiscal 2001 by basing the center's funding on a per capita grant. This represents a \$3.2 million increase over fiscal 2000 funding amounts. State funding is expected to increase by \$4.3 million in fiscal 2002 and \$6.1 million by fiscal 2004.

This session the General Assembly approved legislation at the 2000 session, *Senate Bill 650/ House Bill 1185 (passed)*, that alters the

calculation of the State funding formula for regional resource centers beginning in fiscal 2002 by increasing the per capita grant amount from \$1.70 to \$3.50 in fiscal 2002, and by \$0.50 per year through fiscal 2004. State funding would increase by \$544,300 for the Eastern Shore Regional Resource Center, by \$521,500 for the Southern Maryland Regional Resource Center, and by \$408,800 for the Western Maryland Regional Resource Center in fiscal 2002.

Community Colleges

Total State funding for community colleges increases by \$21.2 million for fiscal 2001. Local community colleges will receive \$134.9 million through the State's funding formula. The formula increase reflects a 2.7 percent growth in student enrollment and a 15 percent increase in the per student grant amount. The per student grant amount is based on 24 percent of the fiscal 2000 State aid per student at selected four-year colleges.

The General Assembly approved legislation at the 1999 session, Senate Bill 283, that provided additional ESOL (English for Speakers of Other Languages) funding for local community colleges in fiscal 2001. Prior to fiscal 2001, State ESOL grants could not exceed \$1 million for local community colleges and \$200,000 for the Baltimore City Community College. The legislation increased the funding caps to \$2.5 million at local community colleges and \$500,000 for the Baltimore City Community College. In fiscal 2001, ESOL funding for local community colleges totals \$1.6 million, representing a \$0.6 million increase over fiscal 2000.

Local Health Programs

State aid for local health departments total \$51.6 million in fiscal 2001, reflecting a \$3.7 million or 7.8 percent increase. This increase includes a cost of living adjustment for eligible employees of local health departments.

General Government Assistance

The State provides grants to counties and municipalities for various governmental functions, including public safety, transportation, and recreation. In addition, the disparity grant program targets aid to low income wealth jurisdictions. Overall, general government assistance will increase by \$44.4 million in fiscal 2001, reflecting a 7.4 percent increase.

Police Aid Grants: Maryland's counties and municipalities receive grants for police protection through the police aid formula. The police aid formula allocates funds on a per capita basis and jurisdictions with higher population density receive greater per capita grants. Municipalities receive additional grants based on the number of sworn officers. Police aid grants in fiscal 2001 total \$59.7 million, a \$783,000 or 1.3 percent increase over fiscal 2000.

Public Safety Grants: The State budget includes \$1.3 million for the Baltimore City State's Attorney's Office and \$200,000 to local law enforcement agencies for domestic violence units (House Bill 101). An additional \$989,933 in 911 grants is included in the State budget and \$100,000 in State funds is earmarked for professional development grants to support training of local government law enforcement and correctional personnel. To assist local governments combat violent crime, \$1 million in new State funds is provided through the STOP Gun Violence Program. The body armor grant was reduced by \$25,000 to \$50,000 in fiscal 2001. Other public safety grants did not increase.

Fire, Rescue, and Ambulance Services: The State provides formula grants to the counties, Baltimore City, and qualifying municipalities for local and volunteer fire, rescue, and ambulance services. The grants are for equipment and renovations, not operating costs. The fiscal 2001 budget includes \$10 million for this program.

Program Open Space Grants: Under the Program Open Space program, the State provides grants to the counties and Baltimore City for land acquisition and the development of park and recreation facilities. State property transfer tax revenues fund Program Open Space and related programs. In fiscal 2001, Program Open Space funding totals \$37.1 million, which includes a \$1.5 million special grant for Baltimore City. This reflects a \$1.8 million or 5 percent increase over fiscal 2000 funding levels.

Transportation: The State shares receipts from motor fuel taxes, vehicle excise (titling) taxes, registration fees, and corporate income taxes with local governments for the purpose of constructing and maintaining transportation facilities across the State. Counties, municipalities, and Baltimore City receive 30 percent of these "highway user" revenues. The Maryland Department of Transportation projects a modest increase in these grants in fiscal 2001 (\$12.3 million) based on estimated tax revenues.

Disparity Grant: The disparity grant, which provides funding to counties whose per capita local income tax revenues is less than 75 percent of the statewide average, increases by \$11.2 million in fiscal 2001. The increase is due to the addition of Prince George's County to the program (\$4.8 million) and continual low income tax yields for Baltimore City (\$4.5 million). The eight jurisdictions receiving a disparity grant in fiscal 2001 are Allegany, Caroline, Dorchester, Garrett, Prince George's, Somerset, and Wicomico counties and Baltimore City.

Electric Utility Grant: Beginning this year, ten counties and Baltimore City will receive an electricity generating equipment property tax grant which partially offsets lost local revenues resulting from the electric and gas utility tax reform enacted at the 1999 session. These grants will total \$15.3 million in fiscal 2001.

County Level Detail

This section includes information for each county on State aid, State funding of selected services, and capital projects in the county. The three parts included under each county are described below.

Direct Aid/Shared Revenues and Retirement Payments

Direct Aid/Shared Revenues: The State distributes aid or shares revenue with the counties, municipalities, and Baltimore City through over 50 different programs. The fiscal 2001 State operating budget includes \$3.2 billion to fund these programs. Part A, section 1 compares aid distributed to the county in fiscal 2000 and 2001.

Retirement Payments: County teachers, librarians, and community college faculty are members of either the teachers retirement or pension systems maintained and operated by the State. The State pays the employer share of the retirement costs on behalf of the counties for these local employees. These payments total \$390.3 million in fiscal 2001. Although these funds are not paid to the local governments, it is possible to estimate each county's allocation from salary information collected by the State retirement systems. These estimates are presented

Estimated State Spending on Health and Social Services

The State funds the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. Part B shows fiscal 2001 allocation estimates of general fund appropriations which are divided into three categories: health services, social services, and senior citizen services

Health Services: The Department of Health and Mental Hygiene, through its various administrations, funds in whole or part community health programs that are provided in the local subdivisions. These programs are described below. General fund spending totals \$522.8 million statewide for these programs in fiscal 2001. This amount does not include spending at the State mental health hospitals, developmental disability facilities, or chronic disease centers.

- **Alcohol and Drug Abuse:** The Alcohol and Drug Abuse Administration funds community-based programs that include primary and emergency care, intermediate care facilities, halfway houses and long-term care programs, outpatient care, and prevention programs. The fiscal 2001 budget includes \$42.2 million in general funds for these programs. County allocations for fiscal 2001 are based on the fiscal 2000 distribution and may change. In addition, the budget includes \$29.7 million in federal funds for addiction treatment services and \$18.5 million in Cigarette Restitution Funds.
- **Family Health and Primary Care Services:** The Community and Public Health Administration funds community-based programs through the local health departments in each of the subdivisions. These programs include maternal health (family planning, pregnancy testing, prenatal and perinatal care, etc.), and infant and child health (disease prevention, child health clinics, specialty services, etc.). Primary care services are funded for those people who previously received State-only Medical Assistance. Fiscal 2001 funding for these family health programs totals \$9 million in general funds.
- **Geriatric and Children's Services:** The Medical Care Policy Administration provides funding for community-based programs that serve senior citizens and children. The geriatric services include operating grants to adult day care centers and an evaluation program administered by the local health departments to assess the physical and mental health needs of elderly individuals. The children's services include the Early, Periodic Screening Diagnosis and Treatment (EPSDT) program and the Adolescent Case Coordinator program that assures at risk or pregnant teenagers receive needed health services. The fiscal 2001 funding for these programs totals \$19.6 million in general funds.
- **Mental Health:** The Mental Hygiene Administration (MHA) oversees a wide range of community mental health services which are developed and monitored at the local level by Core Service Agencies (CSAs). These Core Service Agencies have the clinical, fiscal, and administrative responsibility to develop a coordinated network of services for all public mental health clients of any age within a given jurisdiction. These services include in-patient and out-patient hospital services, in-patient and out-patient mental health services, psychiatric rehabilitation services, targeted case management services, rental assistance, pharmacy services, private practitioners, and other clinic services. General funds totaling \$206 million have been appropriated in fiscal 2001.
- **Prevention and Disease Control:** The Community and Public Health Administration is responsible for chronic and hereditary disease prevention (cancer, heart disease, diabetes, etc.). The office also provides for the promotion of safe and effective immunization practices, the investigation of disease outbreaks, and continuous disease surveillance and monitoring with the support of local health departments and the medical community. General fund appropriations in fiscal 2001 total \$7.1 million. In addition, the budget includes \$48 million in Cigarette Restitution Funds for tobacco use prevention and cessation and for cancer prevention and screening.
- **Developmental Disabilities:** The Developmental Disabilities Administration's community-based programs include residential services, day programs, transportation services, summer recreation for children, individual and family support services, including respite care, individual family care, behavioral support services, and community supported living arrangements. The fiscal 2001 budget includes \$236.5 million in general funds for these programs. The budget also contains \$113 million in federal funds for developmental disability community services.
- **AIDS:** The AIDS Administration funds counseling, testing, education and risk reduction services through the local health departments. Fiscal 2001 funds for these services total \$2.2 million in general funds. The budget for the AIDS Administration also includes \$34 million in federal funds.

Social Services: The Department of Human Resources provides funding for various social and community services in the subdivisions. Part B shows fiscal 2001 estimates of funding for those programs that were available by subdivision. Note that fiscal 2001 funding for homeless services and the women's services programs is allocated among the subdivisions on the basis of each jurisdiction's share of fiscal 2000 funding.

- **Homeless Services Program:** The Community Services Administration funds the homeless services program (including the housing counselor and service-linked housing programs) to provide emergency and transitional housing, food, and transportation for homeless families and individuals in the subdivisions. The fiscal 2001 budget includes \$5 million in general funds for this program.
- **Women's Services Program:** The Community Services Administration provides funding for a variety of community-based programs for women. These include the battered spouse program, rape crisis centers, displaced homemakers program, and crime victim's services. Total fiscal 2001 funding for these programs equals \$5.5 million in general funds. In addition, the fiscal 2001 budget includes \$6 million in federal funds for women's services.
- **Adult Services:** The State social services departments in each of the subdivisions provide a variety of services to disabled, elderly, neglected, and exploited adults. Services include information and referral, crisis intervention, case management, protective services, in-home aid, and respite care for families. The fiscal 2001 budget includes \$4.9 million in general funds and \$31.4 million in federal funds for adult services.
- **Child Welfare Services:** The State social services departments in each of the subdivisions offer programs to support the healthy development of families, assist families and children in need, and protect abused and neglected children. Services include adoptive services, foster care programs, family preservation programs, and child protective services. The fiscal 2001 budget includes \$38.8

million in general funds and \$81.7 million in federal funds.

Senior Citizens Services: The Department of Aging funds a variety of services for senior citizens mostly through local agencies on aging. In Part B these programs have been combined into two broad categories: long-term care and community services. The total fiscal 2001 funding is \$11 million in general funds. The fiscal 2001 funding is allocated among the subdivisions on the basis of each jurisdiction's share of fiscal 2000 funding.

- **Long-Term Care:** This category includes the following programs: frail elderly, senior care, senior guardianship and the new vulnerable elderly program. The total fiscal 2001 funding is \$8.3 million in general funds.
- **Community Services:** Included in this category are the senior information and assistance program, the senior nutrition program and the insurance counseling program. Fiscal 2001 funding for these programs totals \$2.7 million in general funds.

Capital Grants and Capital Projects for State Facilities

Selected State Grants for Capital Projects: The State provides capital grants for schools, community colleges, local jails, community health facilities, adult day care centers, water quality projects, waterway improvements, homeless shelters, and other cultural, historical, and economic development projects. Projects are funded from either bond sales or current revenues. Part C lists projects in the counties authorized by the fiscal 2001 State operating and capital budgets. Projects at regional community colleges are shown for each county that the college serves. For some loans (adult day care, community mental health facilities, and partnership rental housing), funding was not provided for all requested projects. Since it is not known which projects will be funded, all requested projects for these loans are shown in this report.

The fiscal 2001 budget includes \$267 million in new funding for local school construction: \$171.7 million in general funds (Paygo), \$86.9 million in bond funds, \$2.4 million in special funds, and \$6 million available from prior years. As of the publication of this report, \$193.4 million of the total fiscal 2001 funding has been allocated to specific projects. These projects are listed in part C for each county.

Capital Projects for State Facilities Located in the County: Part D shows capital projects, authorized by the fiscal 2001 operating and capital budgets, at State facilities and public colleges and universities by the county in which the facility is located. For facilities that are located in more than one county, such as a State park, the total amount of the capital project is shown for all relevant counties. For each capital project, the total authorized amount is given, regardless of funding source although federally funded projects are generally shown separately. For the universities, projects funded from both academic and auxiliary revenue bonds are included. This section does not include transportation projects.

Allegany County

A. Direct Aid and Retirement Payments

1. Direct Aid/Shared Revenues

	<u>FY 2000</u>	<u>FY 2001</u>	<u>Difference</u>	<u>% Diff.</u>
	(\$ in Thousands)			
<u>Public Schools</u>				
Current Expense Aid	27,427	28,235	809	2.9
Compensatory Aid	3,010	3,379	369	12.2
Transportation Aid	2,564	2,652	88	3.4
Special Education Aid	1,587	1,645	59	3.7
Limited English Prof. Grants	14	11	-3	-20.0
Targeted Poverty Grants	777	777		
Extended Elementary	348	348		
Aging Schools	355	355		
Targeted Improvement	497	552	55	11.0
Teacher Development	196	204	8	4.1
Teacher Salary Grant		749	749	
Academic Intervention		178	178	
Other Education Aid	<u>912</u>	<u>1,943</u>	<u>1,031</u>	<u>113.1</u>
PRIMARY/SECONDARY EDUCATION	37,687	41,030	3,342	8.9
LIBRARIES	535	549	13	2.5
COMMUNITY COLLEGES	3,731	4,035	303	8.1
HEALTH FORMULA GRANTS	962	1,097	135	14.1
<u>Public Safety</u>				
State Aid for Police Protection*	897	887	-10	-1.1
Fire, Rescue & Ambulance Service*	<u>228</u>	<u>228</u>	<u> </u>	<u> </u>
TOTAL PUBLIC SAFETY	1,125	1,115	-10	-.9
PROGRAM OPEN SPACE	377	397	20	5.4
TRANSPORTATION GRANTS*	5,862	6,149	287	4.9
DISPARITY GRANT	4,207	5,099	893	21.2
TOTAL DIRECT AID	54,486	59,471	4,985	9.1
Aid Per Capita	777	857	80	10.3
Property Tax Equivalent (\$)	3.51	3.88	0.37	10.5

Note: Detail may not add to total due to rounding.

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and state's attorneys. Fiscal 2001 State payments for Allegany County for teachers, librarians, community college faculty and local officials are estimated to be \$5,094,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers or State agencies in the counties. What follows are estimates of fiscal 2001 allocations for various programs. Note that for most programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2000) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	1,795,000
Family Health & Primary Care	132,000
Geriatric & Children's Services	600,000
Mental Health	4,037,000
Prevention & Disease Control	77,000
Developmental Disabilities	2,524,000
AIDS	58,000

Social Services

Homeless Services Program	98,000
Women's Services Program	178,000
Adult Services	75,000
Child Welfare Services	794,000

Senior Citizen Services

Long Term Care	251,000
Community Services	89,000

C. Selected State Grants for Capital Projects

Public Schools

George's Creek Elementary School - renovations (roof)	246,000
George's Creek Elementary School - wiring	45,000
Oldtown School - wiring	45,000
West Side Elementary School - wiring	45,000
Westmar Middle School - wiring	89,000

Local Jail Loan

Allegany County Detention Center - new 190-bed center	428,000
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Senior Citizen Activity Centers

Westernport Senior Center	294,000
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Partnership Rental Housing Program

Allegany Towers	975,000
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Chesapeake Bay Water Quality Loan

Cumberland Combined Sewer - overflow improvements	500,000
Cumberland WWTP - nutrient removal	408,725
Frostburg Combined Sewer - overflow improvements	150,000
George's Creek - stream restoration	62,500
Westernport Sewer - overflow improvements	180,000

Waterway Improvement

City of Cumberland - construct boat ramp	25,000
City of Cumberland - dam removal	30,000

Other Projects

Canal Place	2,224,000
Frostburg Recreation Center	335,000
Western Maryland Flood Mitigation	3,900,000
Western Maryland Scenic Railroad (SB 631)	175,000

D. Capital Projects for State Facilities in the County

Department of Natural Resources

Green Ridge State Forest	950,000
Rocky Gap Amphitheater	1,395,000
Rocky Gap State Park - dam rehabilitation	136,000
Western Maryland Forest and Parks	360,000

Department of Public Safety & Corrections

Western Correctional Institution - 512-bed expansion	18,474,000
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University System of Maryland

Frostburg State - Compton Science Center construction	24,766,000
Frostburg State - Gunter Hall	3,747,000
Frostburg State - Temporary Academic Building	500,000

Anne Arundel County

A. Direct Aid and Retirement Payments

1. Direct Aid/Shared Revenues

	<u>FY 2000</u>	<u>FY 2001</u>	<u>Difference</u>	<u>% Diff.</u>
	(\$ in Thousands)			
<u>Public Schools</u>				
Current Expense Aid	118,579	120,715	2,137	1.8
Compensatory Aid	3,995	3,447	-548	-13.7
Transportation Aid	11,028	11,458	430	3.9
Special Education Aid	13,473	14,686	1,212	9.0
Limited English Prof. Grants	711	919	208	29.2
Targeted Poverty Grants	1,418	1,418		
Extended Elementary	1,295	1,295		
Aging Schools	570	570		
Targeted Improvement	666	674	8	1.2
Teacher Development	238	786	548	230.5
Teacher Salary Grant		2,215	2,215	
Academic Intervention		877	877	
Other Education Aid	<u>2,588</u>	<u>3,537</u>	<u>949</u>	<u>36.7</u>
PRIMARY/SECONDARY EDUCATION	154,560	162,596	8,035	5.2
LIBRARIES	1,736	1,811	75	4.3
COMMUNITY COLLEGES	15,679	18,736	3,056	19.5
HEALTH FORMULA GRANTS	3,943	4,540	597	15.1
<u>Public Safety</u>				
State Aid for Police Protection*	5,683	5,746	63	1.1
Fire, Rescue & Ambulance Service*	815	813	-2	-.2
Other Public Safety	<u>108</u>	<u>108</u>		
TOTAL PUBLIC SAFETY	6,606	6,667	62	.9
PROGRAM OPEN SPACE	4,077	4,287	210	5.2
TRANSPORTATION GRANTS*	22,767	23,986	1,219	5.4
OTHER DIRECT AID *	414	414		
PROPERTY TAX GRANTS		3,910	3,910	
TOTAL DIRECT AID	209,782	226,947	17,165	8.2
Aid Per Capita	431	462	31	7.2
Property Tax Equivalent (\$)	1.44	1.53	0.09	6.3

Note: Detail may not add to total due to rounding.

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs

and state's attorneys. Fiscal 2001 State payments for Anne Arundel County for teachers, librarians, community college faculty and local officials are estimated to be \$32,549,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers or State agencies in the counties. What follows are estimates of fiscal 2001 allocations for various programs. Note that for most programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2000) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	486,000
Family Health & Primary Care	381,000
Geriatric & Children's Services	989,000
Mental Health	12,739,000
Prevention & Disease Control	203,000
Developmental Disabilities	15,697,000
AIDS	11,000

Social Services

Homeless Services Program	150,000
Women's Services Program	364,000
Adult Services	96,000
Child Welfare Services	1,840,000

Senior Citizen Services

Long Term Care	550,000
Community Services	135,000

C. Selected State Grants for Capital Projects

Public Schools

Arundel High School - renovations (boiler)	191,000
Arundel Middle School - renovations (boilers)	145,000
Bodkin Elementary School - renovations (HVAC)	468,000
Broadneck Elementary School - renovations (HVAC)	213,000
Brock Bridge Elementary School - renovations (HVAC/roof)	935,000
Brooklyn Park Middle School - renovations (roof)	213,000
CAT South School - renovations (roof)	214,000
Central Elementary School - wiring	36,000
Chesapeake Bay Middle School - renovations (boilers)	170,000
Corkran Middle School - renovations (roof)	638,000
Crofton Elementary School - wiring	30,000
Crofton Middle School - renovations (roof)	340,000
Crofton Woods Elementary School - renovations (HVAC/roof)	935,000
Edgewater Elementary School - wiring	20,000
Folger-McKinsey Elementary School - wiring	30,000
Georgetown East Elementary School - wiring	34,000

Germantown Elementary School - wiring	30,000
Glen Burnie High School - renovations (boiler)	149,000
Glen Burnie High School - science facilities	583,000
High Point Elementary School - renovations (HVAC)	680,000
Hilltop Elementary School - renovations (roof)	255,000
Jessup Elementary School - wiring	41,000
Learning Center Special Education School - renovations (roof)	96,000
Linthicum Elementary School - wiring	35,000
Lothian Elementary School - wiring	33,000
Manor View Elementary School - renovations (roof)	255,000
Marley Glen Elementary School - renovations (roof)	170,000
Meade High School - renovations (boiler)	170,000
Millersville Elementary School - wiring	24,000
North County High School - wiring	118,000
Oak Hill Elementary School - renovations (HVAC)	935,000
Oakwood Elementary School - renovations (boilers)	117,000
Pershing Hill Elementary School - renovations (roof)	128,000
Pershing Hill Elementary School - wiring	24,000
Phoenix-Annapolis School - wiring	23,000
Point Pleasant Elementary School - wiring	51,000
Quarterfield Elementary School - wiring	30,000
R.H. Lee Elementary School - wiring	31,000
Ruth Eason Special School - renovations (HVAC)	638,000
Severn Elementary School - wiring	30,000
Severna Park High School - renovations (roof/boilers)	978,000
Severna Park Middle School - renovations (HVAC/boilers)	315,000
Shadyside Elementary School - renovations (HVAC/roof)	935,000
Shadyside Elementary School - wiring	36,000
Shipley's Choice Elementary School - wiring	34,000
South River High School - science facilities	410,000
Southern High School - renovations (boilers)	170,000
Southern Middle School - renovations (roof)	298,000
Southgate Elementary School - wiring	30,000
Sunset Elementary School - renovations (HVAC/roof)	935,000
Tracey's Elementary School - wiring	24,000
Waugh Chapel Elementary School - wiring	30,000
West Meade Elementary School - wiring	24,000
Windsor Farm Elementary School - wiring	34,000

Anne Arundel Community College

Center for Applied Learning & Technology	525,000
Student Services Center - renovation & addition	2,900,000

Local Jail Loan

Anne Arundel Detention Center - construct Jennifer Road Center	1,041,000
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Community Mental Health Centers

Supported Housing Developers, Inc. 412,000

Chesapeake Bay Water Quality Loan

Cox Creek WWTP - nutrient removal 530,837

Marley Station Wetland - stormwater retrofit 75,500

Saw Mill Creek - stream restoration 197,000

Fish Passage Program

Dorsey Run Culvert - install fish ladder 70,000

Waterway Improvement

Almshouse Creek - dredging 23,000

Annapolis - construct moorings 50,000

Annapolis - fire/rescue boat acquisition 50,000

Anne Arundel Co., North - fire & rescue boat acquisition 50,000

Anne Arundel Co., South - fire & rescue boat acquisition 50,000

Cockey Creek - dredging 125,000

Cornfield Creek - dredging 151,000

Larkington Cove - dredging 16,000

Little Magothy River - dredging 226,425

Magothy River - dredging 35,000

Mathias Cove - dredging 60,000

Whitehall Canal - dredging 25,000

Other Projects

Anne Arundel Medical Center (SB 23) 250,000

Chesapeake Center for the Creative Arts 1,250,000

Community Center at Woods (SB 327) 500,000

Heritage Harbour Respite Care Home (SB 582) 150,000

Highland Beach Town Hall 150,000

Kunta Kinte-Alex Haley Memorial 300,000

Lula G. Scott Community Center Renovation Project (HB 352) 200,000

Maryland Hall for the Creative Arts 500,000

Maryland Therapy and Education Center (HB 826) 100,000

Owensville Primary Care Center 200,000

Quiet Waters Amphitheater 200,000

St. John's College (HB 1256) 2,900,000

D. Capital Projects for State Facilities in the County

General Government

Annapolis State Govt. Center - additions/alterations 21,672,000

Annapolis State Govt. Center - House elevator improvements 425,000

Annapolis State Govt. Center - maintenance building 990,000

Annapolis State Govt. Center - security 2,000,000

Dept. of Housing & Community Development

Banneker-Douglass Museum - expand and upgrade 3,990,000

Department of Natural Resources

Jonas Green State Park - Day Use Area Phase I	330,000
Magothy River Greenway	500,000
Patuxent River NRMA/Greenway	1,060,000

Department of Public Safety & Corrections

Correctional Institution for Women - support services/state use buildings	497,000
Correctional Institution for Women - kitchen & dining room	1,200,000
Correctional Institution Jessup - perimeter security	3,147,000

Department of Environment

Jessup Correctional Complex - central regional sludge facility	500,000
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Baltimore City

A. Direct Aid and Retirement Payments

1. Direct Aid/Shared Revenues

	<u>FY 2000</u>	<u>FY 2001</u>	<u>Difference</u>	<u>% Diff.</u>
	(\$ in Thousands)			
<u>Public Schools</u>				
Current Expense Aid	284,567	284,437	-129	
Compensatory Aid	66,681	59,733	-6,948	-10.4
Transportation Aid	10,165	10,228	63	.6
Special Education Aid	52,220	57,444	5,224	10.0
Limited English Prof. Grants	842	1,121	278	33.0
Targeted Poverty Grants	2,274	2,274		
Extended Elementary	4,135	4,135		
Baltimore City Partnership	50,000	58,000	8,000	16.0
Aging Schools	1,635	1,635		
Targeted Improvement	8,927	9,057	130	1.5
Teacher Development	3,617	3,657	40	1.1
Teacher Salary Grant		7,786	7,786	
Academic Intervention		1,952	1,952	
Other Education Aid	<u>11,413</u>	<u>12,361</u>	<u>947</u>	<u>8.3</u>
PRIMARY/SECONDARY EDUCATION	496,476	513,818	17,343	3.5
LIBRARIES	4,921	5,068	147	3.0
HEALTH FORMULA GRANTS	9,305	9,845	539	5.8
<u>Public Safety</u>				
State Aid for Police Protection	322	316	-6	-1.8
Fire, Rescue & Ambulance Service	1,028	1,018	-10	-1.0
Other Public Safety	<u>8,089</u>	<u>8,906</u>	<u>817</u>	<u>10.1</u>
TOTAL PUBLIC SAFETY	9,439	10,240	801	8.5
PROGRAM OPEN SPACE	4,198	4,346	148	3.5
TRANSPORTATION GRANTS	160,424	161,872	1,448	.9
OTHER DIRECT AID	3,650	4,176	526	14.4
PROPERTY TAX GRANTS		227	227	
DISPARITY GRANT	56,517	61,013	4,496	8.0
TOTAL DIRECT AID	744,929	770,605	25,676	3.4
Aid Per Capita	1,202	1,271	69	5.7
Property Tax Equivalent (\$)	8.74	8.93	0.19	2.2

Note: Detail may not add to total due to rounding.

2. Retirement Payments

County teachers and librarians are members of either the teachers retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs

and state's attorneys. Fiscal 2001 State payments for Baltimore City for teachers, librarians, community college faculty and local officials are estimated to be \$45,569,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers or State agencies in the counties. What follows are estimates of fiscal 2001 allocations for various programs. Note that for most programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2000) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	13,357,000
Family Health & Primary Care	499,000
Geriatric & Children's Services	5,383,000
Mental Health	74,563,000
Prevention & Disease Control	611,000
Developmental Disabilities	43,591,000
AIDS	21,000

Social Services

Homeless Services Program	2,083,000
Women's Services Program	1,217,000
Adult Services	1,224,000
Child Welfare Services	15,000,000

Senior Citizen Services

Long Term Care	1,753,000
Community Services	873,000

C. Selected State Grants for Capital Projects

Public Schools

Alexander Hamilton Elementary School #145 - renovations (electrical)	113,000
Arnett Brown Middle School #180 - renovations (electrical)	291,000
B. T. Washington Middle School #130 - renovations (boilers)	375,000
Barclay Elementary/Middle School #054 - renovations (electrical)	181,000
Barr. C. Carroll Elementary School #034 - renovations (electrical)	108,000
Bay-Brook Elementary School #124 - renovations (electrical)	91,000
Beechfield Elementary School #246 - renovations (electrical)	150,000
Belmont Elementary School #217 - renovations (boilers)	300,000
Benjamin Franklin Middle School #239 - renovations (electrical)	212,000
Bentalou Elementary School #150 - renovations (electrical)	155,000
C. Carroll of Carrollton Elementary/Middle School #139 - wiring	327,000
Calverton Middle School #075 - wiring	591,000
Chinquapin Middle School #046 - renovations (boilers)	450,000
Claremont Elementary School #307 - renovations (roof)	108,000
Coldstream Park Elementary School #031 - renovations (electrical)	145,000
Collington Square Elementary School #097 - renovations (electrical)	135,000

Commodore John Rodgers Elementary School #27 - wiring	271,000
Curtis Bay Elementary School #207 - renovations (boilers)	300,000
Dickey Hill Elem/Middle School #201 - renovations (electrical)	185,000
Diggs-Johnson Middle School #162 - renovations (electrical)	176,000
Dr. Bernard Harris Elementary School #250 - renovations (electrical)	147,000
Dr. M. L. King, Jr. Elementary School #254 - renovations (electrical)	164,000
Dr. Rayner Browne Elementary School #025 - renovations (roof)	162,000
Dunbar Middle School #133 - renovations (electrical)	202,000
Elmer A. Henderson Elementary School #101 - renovations (electrical)	138,000
Eutaw-Marshburn Elementary School #011 - renovations (electrical)	171,000
Federal Hill Elementary School #045 - renovations (electrical)	136,000
Francis M. Wood High School #178 - renovations (roof)	217,000
Franklin Square Elementary School #095 - renovations (electrical)	143,000
Frederick Douglass High School #450 - wiring	538,000
Frederick Elementary School #260 - renovations (electrical)	103,000
Ft. Worthington Elementary School #085 - renovations (boilers/roof)	715,000
Furley Elementary School #206 - renovations (electrical)	138,000
Furman L. Templeton Elementary School #125 - renovations (electrical)	144,000
Garrison Middle School #042 - renovations (electrical)	244,000
George G. Kelson Elementary School #157 - renovations (electrical)	133,000
George McMechen Special School #177 - renovations (electrical)	170,000
George Washington Elementary School #022 - renovations (electrical)	100,000
Gilmore Elementary School #107 - renovations (electrical)	139,000
Govans Elementary School #213 - renovations (electrical)	112,000
Graceland Pk/O'Donnell Hgts. Elementary School - renovations (electrical)	137,000
Greenspring Middle School #082 - renovations (electrical)	511,000
Grove Park Elementary School #224 - renovations (boilers)	300,000
Guilford Elementary/Middle School #214 - renovations (electrical)	171,000
Harbor View Elementary School #304 - renovations (electrical/roof)	253,000
Harriet Tubman Elementary School #138 - renovations (electrical)	108,000
Hazelwood Elementary/Middle School #210 - renovations (boilers)	300,000
Highlandtown Elementary School #215 - renovations (electrical)	122,000
Highlandtown/Hampstead Hill Middle School #043 - wiring	584,000
Hilton Elementary School #021 - renovations (roof)	396,000
James McHenry Elementary School #010 - renovations (electrical)	158,000
John E. Howard Elementary School #061 - renovations (electrical)	155,000
Johnston Square Elementary School #016 - renovations (electrical)	150,000
Lakewood Elementary School #086 - renovations (electrical/boilers)	271,000
Langston Hughes Elementary School #005 - renovations (electrical)	100,000
Liberty Elementary School #064 - renovations (roof)	256,000
Lockerman-Bundy Elementary School #261 - renovations (electrical)	108,000
Lombard Middle School #057 - wiring	450,000
Maree G. Farring Elementary School #203 - renovations (electrical)	106,000
Marshall Middle School/Woodburne Center - renovations (electrical)	418,000

Medfield Heights Elementary School #249 - renovations (electrical)	123,000
Mergenthaler Vo-Tech #410 - construction	5,000,000
Mt. Royal Elementary School #066 - renovations (boilers)	300,000
Mt. Washington Elementary School #221 - renovations (electrical/roof)	328,000
Northern High School #402 - science facilities	645,000
Park Heights Elementary School #014 - renovations (electrical)	100,000
Paul L. Dunbar High School #414 - wiring	546,000
Pimlico Elementary School #223 - wiring	322,000
Robert Poole Middle School #056 - renovations (electrical)	251,000
Rosemont Elementary School #063 - renovations (electrical)	140,000
S. Coleridge-Taylor Elementary School #122 - renovations (electrical)	175,000
Southeast Middle School #255 - renovations (electrical)	208,000
Southwestern High School #412 - wiring	543,000
Steuart Hill Elementary School #004 - renovations (electrical)	160,000
Tench Tilghman Elementary School #013 - renovations (electrical)	119,000
W. Pinderhughes Elementary School #028 - renovations (electrical)	93,000
W. S. Baer Special School #301 - renovations (electrical)	148,000
Walter P. Carter Elementary School #134 - renovations (electrical)	137,000
West Baltimore Middle School #080 - renovations (electrical)	387,000
Western High School #407 - science facilities	558,000
Western High School #407 - wiring	559,000
Westport Elementary/Middle School #225 - renovations (electrical)	211,000
Westside Elementary School #024 - renovations (electrical)	135,000
William Lemmel Middle School #079 - renovations (electrical)	345,000
William Paca Elementary School #083 - renovations (electrical)	134,000
Windsor Hills Elementary School #087 - renovations (electrical)	121,000
Winston Middle School #209 - renovations (electrical/boilers)	514,000
Yorkwood Elementary School #219 - renovations (boilers)	450,000

Juvenile Justice Bond Program

Chesapeake Center - renovate multi-purpose building	72,000
Woodbourne Center - renovate Tivoli Building	48,000

Community Mental Health Centers

Chimes, Inc.	87,000
Institutes for Behavioral Resources, Inc.	151,000
Sinai Hospital - Park Heights Health Center	425,000
Treatment Resources for Youth, Inc.	141,000

Partnership Rental Housing Program

Flag House Courts	333,000
Hollander Ridge	8,841,000

Waterway Improvement

Fort Armistead Park - repair boat ramp	15,000
Fort McHenry - complete Finger Pier	15,000

Other Projects

"Main Street" Redevelopment Projects	500,000
Aunt Hattie's Place	500,000
Baltimore Children's Museum - Port Discovery	1,450,000
Baltimore City - demolition projects	2,000,000
Baltimore City Fraternal Order of Police - Memorial (HB 1176)	50,000
Baltimore City - school playgrounds	867,000
Baltimore Healthy Neighborhoods Pilot Program	1,000,000
Baltimore Museum of Art - Lucas Art Collection	850,000
Baltimore Museum of Industry (HB 122)	250,000
Baltimore Symphony Orchestra	1,000,000
Circuit Court - accessibility modifications	750,000
Druid Heights Daycare/Community Center (HB 198)	200,000
Family Tree (HB 905)	400,000
Frederick Douglass-Isaac Myers Maritime Park	1,500,000
Good Samaritan Hospital (SB 680)	300,000
Goodwill Industries (HB 199)	450,000
Grace Outreach Center (SB 544)	150,000
Great Blacks in Wax Museum	750,000
Greektown Plateia (SB 304)	400,000
Hippodrome Performing Arts Center - renovation	23,000,000
Hiram Grand Foundation Community Center (HB 775)	250,000
Johns Hopkins Cancer Research Building	5,000,000
Johns Hopkins School of Hygiene & Public Health	2,067,000
Johns Hopkins School of Medicine Research Building	7,933,000
Kennedy Krieger Institute - Career & Technology High School	2,000,000
Kennedy Krieger Institute - National Behavior Center	1,000,000
Kennedy-Kreiger Children's Hospital (HB 397)	1,250,000
Lead paint abatement	3,500,000
Loyola College	1,000,000
Loyola College (HB 909)	200,000
Lyric Opera (SB 291)	500,000
Maryland Historical Society	1,000,000
Maryland Institute, College of Art (HB 837)	2,900,000
Maryland Science Center	4,000,000
Memorial Stadium - redevelopment	3,000,000
National Aquarium in Baltimore	3,000,000
New Song Community Center (HB 450)	300,000
Outward Bound - Leakin Park Campus	500,000
Park Heights Community Men's Health Center	350,000
Park Heights Golf Range and Family Sports Park (HB 965)	250,000
Patterson Park Community Development Corp.	200,000
Playing Safe	200,000
R.A. Carr Education, Training & Empowerment Center (SB 885)	175,000
Sojourner Douglass College	2,000,000

South Baltimore Learning Center (SB 121)	350,000
Southeast Properties - Phase II	1,000,000
St. Frances Academy (HB 554)	300,000
Star Spangled Flag House and 1812 Museum (SB 777)	100,000
The League for People with Disabilities (SB 397)	400,000
The Morgan Center (HB 1418)	400,000
U.S.S. Constellation (SB 254)	475,000
W.W. Payne Education and Community Center (HB 1351)	200,000
Walters Art Gallery	1,000,000

D. Capital Projects for State Facilities in the City

Baltimore City Community College

Liberty Campus - renovate main building	16,244,000
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Department of Health & Mental Hygiene

O'Connor Building Laboratory Tower - ductwork	1,000,000
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Department of Juvenile Justice

Baltimore City Juvenile Justice Center - construction	2,037,000
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Maryland State Police

Crime Lab - construction	667,000
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Morgan State University

Communications Center - construction	572,000
Montebello Campus - site improvements	2,052,000
Science Research Building with Greenhouse - construction	13,550,000

Other

UMD Medical System - diagnostic & treatment facilities	11,000,000
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University System of Maryland

Coppin State - Tawes Center renovation	317,000
UMD at Baltimore - construct new Dental School Building	22,000,000
UMD at Baltimore - Health Science Research Facility II	44,428,000
UMD at Baltimore - Lane Hall & Marshall Law Library	4,500,000
University of Baltimore - Center for Families, Children & the Courts	500,000
University of Baltimore - renovate Charles Hall	3,000,000

Baltimore County

A. Direct Aid and Retirement Payments

1. Direct Aid/Shared Revenues

	<u>FY 2000</u>	<u>FY 2001</u>	<u>Difference</u>	<u>% Diff.</u>
	(\$ in Thousands)			
<u>Public Schools</u>				
Current Expense Aid	169,347	175,808	6,461	3.8
Compensatory Aid	7,103	6,533	-570	-8.0
Transportation Aid	13,498	14,152	654	4.8
Special Education Aid	14,587	16,009	1,421	9.7
Limited English Prof. Grants	1,808	2,397	589	32.6
Targeted Poverty Grants	3,345	3,345		
Extended Elementary	1,190	1,190		
Aging Schools	2,940	2,940		
Targeted Improvement	1,599	1,645	46	2.9
Teacher Development	8,553	8,617	64	.7
Teacher Salary Grant		3,368	3,368	
Academic Intervention		1,188	1,188	
Other Education Aid	<u>6,837</u>	<u>8,115</u>	<u>1,278</u>	<u>18.7</u>
PRIMARY/SECONDARY EDUCATION	230,808	245,306	14,499	6.3
LIBRARIES	3,200	3,345	144	4.5
COMMUNITY COLLEGES	25,720	29,983	4,263	16.6
HEALTH FORMULA GRANTS	6,218	6,517	299	4.8
<u>Public Safety</u>				
State Aid for Police Protection	9,221	9,230	9	.1
Fire, Rescue & Ambulance Service	1,211	1,207	-3	-.3
Other Public Safety	<u>484</u>	<u>484</u>		
TOTAL PUBLIC SAFETY	10,916	10,921	6	.1
PROGRAM OPEN SPACE	4,604	4,849	244	5.3
TRANSPORTATION GRANTS	32,038	33,555	1,517	4.7
OTHER DIRECT AID	50	50		
PROPERTY TAX GRANTS		897	897	
TOTAL DIRECT AID	313,555	335,423	21,869	7.0
Aid Per Capita	432	461	29	6.7
Property Tax Equivalent (\$)	1.70	1.79	0.09	5.3

Note: Detail may not add to total due to rounding.

2. Retirement Payments

County teachers and librarians are members of either the teachers retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and state's attorneys. Fiscal 2001 State payments for Baltimore County for teachers, librarians, community college

faculty and local officials are estimated to be \$51,039,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers or State agencies in the counties. What follows are estimates of fiscal 2001 allocations for various programs. Note that for most programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2000) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	2,330,000
Family Health & Primary Care	130,000
Geriatric & Children's Services	1,624,000
Mental Health	27,776,000
Prevention & Disease Control	442,000
Developmental Disabilities	40,599,000
AIDS	53,000

Social Services

Homeless Services Program	198,000
Women's Services Program	670,000
Adult Services	290,000
Child Welfare Services	2,581,000

Senior Citizen Services

Long Term Care	1,102,000
Community Services	340,000

C. Selected State Grants for Capital Projects

Public Schools

Bedford Elementary School - wiring	30,000
Carney Elementary School - renovations (MSR)	908,000
Carney Elementary School - wiring	33,000
Carver Center - science facilities	420,000
Catonsville Middle School - renovations (roof)	315,000
Cedarmere Elementary School - wiring	30,000
Chadwick Elementary School - renovations (MSR)	636,000
Chapel Hill Elementary School - wiring	30,000
Charlesmont Elementary School - renovations (MSR)	469,000
Charlesmont Elementary School - wiring	30,000
Chatsworth Elementary School - renovations (roof)	181,000
Chatsworth Elementary School - wiring	38,000
Chesapeake High School - science facilities	480,000
Church Lane Elementary School - renovations (MSR)	842,000
Cromwell Valley Elementary School - renovations (MSR)	607,000
Deep Creek Elementary School - renovations (MSR)	763,000
Deep Creek Middle School - wiring	73,000

Dulaney High School - science facilities	550,000
Dumbarton Middle School - wiring	75,000
Eastern Technical School - science facilities	375,000
Eastwood Center - wiring	30,000
Eastwood Primary Center - renovations (MSR)	576,000
Fifth District Elementary School - renovations (roof)	137,000
Franklin Elementary School - renovations (roof)	234,000
Glyndon Elementary School - wiring	31,000
Gunpowder Elementary School - wiring	30,000
Halethorpe Elementary School - wiring	30,000
Halstead Academy - renovations (MSR)	1,312,000
Harford Hills Elementary School - renovations (MSR)	980,000
Hernwood Elementary School - renovations (MSR)	853,000
Hernwood Elementary School - wiring	30,000
Hillcrest Elementary School - renovations (MSR)	729,000
Lansdowne Elementary School - renovations (MSR)	804,000
Lansdowne Elementary School - wiring	30,000
Loch Raven Academy - wiring	70,000
Middle River Elementary School - wiring	63,000
Millbrook Elementary School - renovations (MSR)	856,000
Millbrook Elementary School - wiring	30,000
Oliver Beach Elementary School - wiring	30,000
Owings Mills High School - science facilities	420,000
Pine Grove Elementary School - renovations (roof)	254,000
Pine Grove Elementary School - wiring	31,000
Pine Grove Middle School - wiring	75,000
Pinewood Elementary School - renovations (MSR)	656,000
Pinewood Elementary School - wiring	32,000
Pleasant Plains Elementary School - renovations (roof)	221,000
Pot Spring Elementary School - renovations (MSR)	1,144,000
Pot Spring Elementary School - wiring	30,000
Powhatan Elementary School - renovations (MSR)	900,000
Powhatan Elementary School - wiring	30,000
Red House Run Elementary School - renovations (MSR)	840,000
Reisterstown Elementary School - renovations (MSR)	966,000
Reisterstown Elementary School - wiring	30,000
Relay Elementary School - renovations (MSR)	656,000
Relay Elementary School - wiring	30,000
Riderwood Elementary School - renovations (MSR)	709,000
Riderwood Elementary School - wiring	30,000
Sandalwood Elementary School - renovations (roof)	299,000
Sandy Plains Elementary School - renovations (MSR)	1,205,000
Sandy Plains Elementary School - wiring	44,000
Seneca Elementary School - renovations (MSR)	823,000

Seneca Elementary School - wiring	30,000
Seventh District Elementary School - wiring	30,000
Shady Spring Elementary School - wiring	30,000
Southeast Technical School - science facilities	145,000
Sparrows Point High School - science facilities	420,000
Summit Park Elementary School - renovations (MSR)	730,000
Summit Park Elementary School - wiring	30,000
Timber Grove Elementary School - wiring	35,000
Winand Elementary School - renovations (MSR)	811,000
Winfield Elementary School - renovations (MSR)	514,000
Woodbridge Elementary School - wiring	30,000
Woodlawn High School - science facilities	560,000

Baltimore Community College

Dundalk - renovations	1,110,000
Systemwide - ADA alterations, Phase II	269,000

Chesapeake Bay Water Quality Loan

Gwynns Falls Watershed - stormwater retrofit	255,000
Jones Falls Watershed - stormwater retrofit	255,000
Loch Raven Watershed - stormwater retrofit	127,500
Patapsco River Watershed - stormwater retrofit	255,000

Fish Passage Program

White Marsh Run - stream relocation	100,000
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Waterway Improvement

Bird River/Railroad Creek - main channel dredging	190,000
Countywide - survey and study of subaquatic vegetation	10,000
Strawberry Point - inflatable Zodiac acquisition	4,000
Strawberry Point - outboard motors acquisition	11,000
Strawberry Point - patrol boat acquisition	35,000
Turner Station Park - restroom facilities construction	25,000

Hazardous Substance Cleanup Program

Sauer Dump	750,000
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Other Projects

Boys & Girls Clubs of Central Maryland (SB 860)	250,000
Chesterwood Park	1,000,000
Dundalk Revitalization	1,750,000
Essex-Middle River Waterfront Revitalization	3,000,000
Mars Estates Elementary Police Athletic League/Recreation Center (SB 351)	575,000
North Point Indoor Soccer Facility	900,000
PACT: Helping Children With Special Needs (SB 279)	350,000
Randallstown-Liberty Road Revitalization	1,750,000
Reisterstown Elem. Police Athletic League/Recreation Center (HB 797)	575,000
Todd's Inheritance (HB 750)	250,000
Woodlawn Community Center (HB 894)	300,000

D. Capital Projects for State Facilities in the County

Department of Natural Resources

Gunpowder Falls State Park - Bunker Hill day use area	610,000
Gunpowder Falls State Park - Dundee Creek Marina	121,000
Gunpowder Falls State Park - land acquisition	1,825,000
Patapsco Greenway Trail	849,000
Patapsco State Park Greenway	985,000

Maryland Veterans Administration

Garrison Forest Veterans Cemetary - maintenance building	509,000
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Other

WMPB Transmitter - replacement	3,489,000
WMPB Transmitter - replacement (federal funds)	1,225,900

University System of Maryland

Baltimore County - Biological Sciences Building	500,000
Baltimore County - Chemistry/Physics Building	14,100,000
Baltimore County - Information Tech/Engineering Building	4,199,000
Baltimore County - Public Policy Institute Building	1,215,000
Towson University - 7800 York Road	10,334,000
Towson University - 7800 York Road garage	22,000,000
Towson University - Fine Arts Building renovation	3,030,000
Towson University - interim fitness center	200,000
Towson University - Regional Sports Complex construction	7,000,000
Towson University - Residence Tower window replacement	150,000
Towson University - Towson Run dining	250,000

Calvert County

A. Direct Aid and Retirement Payments

1. Direct Aid/Shared Revenues

	<u>FY 2000</u>	<u>FY 2001</u>	<u>Difference</u>	<u>% Diff.</u>
	(\$ in Thousands)			
<u>Public Schools</u>				
Current Expense Aid	29,901	32,377	2,476	8.3
Compensatory Aid	687	801	114	16.6
Transportation Aid	2,029	2,160	131	6.5
Special Education Aid	994	1,084	90	9.1
Limited English Prof. Grants	26	42	16	63.2
Targeted Poverty Grants	250	250		
Extended Elementary	454	454		
Aging Schools	65	65		
Targeted Improvement	144	147	3	2.1
Teacher Development	13	21	8	60.7
Teacher Salary Grant		487	487	
Academic Intervention		225	225	
Other Education Aid	<u>448</u>	<u>505</u>	<u>56</u>	<u>12.5</u>
PRIMARY/SECONDARY EDUCATION	35,012	38,619	3,607	10.3
LIBRARIES	247	275	28	11.3
COMMUNITY COLLEGES	810	916	105	13.0
HEALTH FORMULA GRANTS	350	435	85	24.3
<u>Public Safety</u>				
State Aid for Police Protection*	660	681	22	3.3
Fire, Rescue & Ambulance Service*	<u>200</u>	<u>200</u>	<u>—</u>	<u>—</u>
TOTAL PUBLIC SAFETY	860	881	22	2.5
PROGRAM OPEN SPACE	408	431	23	5.7
TRANSPORTATION GRANTS*	4,368	4,577	209	4.8
PROPERTY TAX GRANTS		3,048	3,048	
TOTAL DIRECT AID	42,054	49,182	7,128	16.9
Aid Per Capita	548	622	74	13.5
Property Tax Equivalent (\$)	1.40	1.69	0.29	20.7

Note: Detail may not add to total due to rounding.

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and state's attorneys. Fiscal 2001 State payments for Calvert County for teachers, librarians, community college faculty and local officials are estimated to be \$6,439,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers or State agencies in the counties. What follows are estimates of fiscal 2001 allocations for various programs. Note that for most programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2000) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	277,000
Family Health & Primary Care	89,000
Geriatric & Children's Services	316,000
Mental Health	2,480,000
Prevention & Disease Control	64,000
Developmental Disabilities	5,336,000

Social Services

Homeless Services Program	33,000
Women's Services Program	191,000
Adult Services	35,000
Child Welfare Services	308,000

Senior Citizen Services

Long Term Care	105,000
Community Services	25,000

C. Selected State Grants for Capital Projects

Public Schools

Calvert Middle School - renovations (roof)	102,000
Huntingtown Elementary School - renovations (mechanical)	470,000

College of Southern Maryland

Calvert - Academic Complex	1,547,000
Charles - Academic Complex	1,065,000
Charles - Industrial Training Center	689,000
La Plata - renovate Phys Ed Building/construct addition	206,000
Renovate Administration Bldg. & construct cooling plant	406,000

Adult Day Care Centers

Tri-County Community Action Committee, Inc.	370,000
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Waterway Improvement

Breezy Point - jetty/groin replacement	40,000
Chesapeake Beach - boat ramp lease	30,000
Chesapeake Beach - parking lot improvement	50,000
North Beach - pier rehabilitation	50,000
Solomons - pier and slip construction	50,000

Other Projects

Battle Creek Nature Education Society Environmental Education Center (SB 68)	100,000
Boys & Girls Clubs of Calvert County (HB 1395)	100,000

Kellam Recreational Complex (SB 824)	250,000
North Beach Erosion Control & Beach Replenishment	400,000

D. Capital Projects for State Facilities in the County

Dept. of Housing & Community Development

Jefferson Patterson Park & Museum - visitor's center	1,704,000
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Department of Natural Resources

Parkers Creek	905,000
Patuxent River NRMA/Greenway	1,060,000

Other

Southern Maryland Higher Education Center - construction	5,177,000
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Caroline County

A. Direct Aid and Retirement Payments

1. Direct Aid/Shared Revenues

	<u>FY 2000</u>	<u>FY 2001</u>	<u>Difference</u>	<u>% Diff.</u>
	(\$ in Thousands)			
<u>Public Schools</u>				
Current Expense Aid	15,139	15,139		
Compensatory Aid	1,002	1,054	52	5.2
Transportation Aid	1,308	1,345	37	2.9
Special Education Aid	493	494	1	.2
Limited English Prof. Grants	93	130	36	39.2
Targeted Poverty Grants	342	342		
Extended Elementary	351	351		
Aging Schools	85	85		
Targeted Improvement	275	286	12	4.3
Teacher Development	77	77		
Teacher Salary Grant		406	406	
Academic Intervention		134	134	
Other Education Aid	<u>1,105</u>	<u>488</u>	<u>-617</u>	<u>-55.8</u>
PRIMARY/SECONDARY EDUCATION	20,270	20,331	62	.3
LIBRARIES	202	209	7	3.6
COMMUNITY COLLEGES	661	794	132	20.0
HEALTH FORMULA GRANTS	549	637	88	16.1
<u>Public Safety</u>				
State Aid for Police Protection*	312	315	3	.9
Fire, Rescue & Ambulance Service*	<u>200</u>	<u>200</u>		
TOTAL PUBLIC SAFETY	512	515	3	.5
PROGRAM OPEN SPACE	178	187	10	5.5
TRANSPORTATION GRANTS*	3,775	3,957	182	4.8
DISPARITY GRANT	1,835	2,171	336	18.3
TOTAL DIRECT AID	27,981	28,800	820	2.9
Aid Per Capita	933	950	17	1.8
Property Tax Equivalent (\$)	5.31	5.24	-0.07	-1.3

Note: Detail may not add to total due to rounding.

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and state's attorneys. Fiscal 2001 State payments for Caroline County for teachers, librarians, community college faculty and local officials are estimated to be \$2,490,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers or State agencies in the counties. What follows are estimates of fiscal 2001 allocations for various programs. Note that for most programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2000) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	247,000
Family Health & Primary Care	142,000
Geriatric & Children's Services	345,000
Mental Health	1,163,000
Prevention & Disease Control	44,000
Developmental Disabilities	2,095,000
AIDS	60,000

Social Services

Homeless Services Program	25,000
Women's Services Program	348,000
Adult Services	27,000
Child Welfare Services	208,000

Senior Citizen Services

Long Term Care	158,000
Community Services	84,000

Note: Funding from women's services supports services in Caroline, Dorchester, Talbot, Kent, and Queen Anne's Counties. Funding from senior citizen services supports services in Caroline, Kent, and Talbot Counties.

C. Selected State Grants for Capital Projects

Public Schools

Colonel Richardson High School - renovations (chiller)	60,000
Federalsburg Elementary School - construction	104,000
North Caroline High School - construction	4,000,000

Chesapeake College

Administration Building - renovation	208,000
Library Resource Center - construction	6,772,000

Community Mental Health Centers

Mid-Shore Partnership for Independent Living	459,000
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Chesapeake Bay Water Quality Loan

Goldsboro Sewer	75,000
South Main Street - shoreline rehabilitation	35,000

Waterway Improvement

Denton - Crouse Park boat ramp expansion	50,000
Greensboro - boat ramp replacement	40,000

Other Projects

Adkins Arboretum (HB 613)	200,000
Denton Armory Building (HB 392)	150,000

D. Capital Projects for State Facilities in the County

Other

Eastern Shore Higher Education Center	525,000
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Carroll County

A. Direct Aid and Retirement Payments

1. Direct Aid/Shared Revenues

	<u>FY 2000</u>	<u>FY 2001</u>	<u>Difference</u>	<u>% Diff.</u>
	(\$ in Thousands)			
<u>Public Schools</u>				
Current Expense Aid	60,485	62,765	2,280	3.8
Compensatory Aid	1,116	1,202	87	7.8
Transportation Aid	4,287	4,477	189	4.4
Special Education Aid	3,392	3,693	300	8.8
Limited English Prof. Grants	133	164	31	23.4
Targeted Poverty Grants	292	292		
Extended Elementary	172	172		
Aging Schools	385	385		
Targeted Improvement	192	198	6	3.4
Teacher Development	50	42	-8	-16.1
Teacher Salary Grant		943	943	
Academic Intervention		327	327	
Other Education Aid	<u>702</u>	<u>859</u>	<u>157</u>	<u>22.3</u>
PRIMARY/SECONDARY EDUCATION	71,205	75,517	4,312	6.1
LIBRARIES	725	774	49	6.7
COMMUNITY COLLEGES	3,677	4,146	469	12.8
HEALTH FORMULA GRANTS	1,448	1,576	128	8.8
<u>Public Safety</u>				
State Aid for Police Protection*	1,468	1,502	34	2.3
Fire, Rescue & Ambulance Service*	<u>254</u>	<u>255</u>	<u>1</u>	<u>.4</u>
TOTAL PUBLIC SAFETY	1,722	1,757	35	2.0
PROGRAM OPEN SPACE	918	970	52	5.6
TRANSPORTATION GRANTS*	10,034	10,509	476	4.7
TOTAL DIRECT AID	89,729	95,250	5,521	6.2
Aid Per Capita	574	597	23	4.0
Property Tax Equivalent (\$)	2.39	2.44	0.05	2.1

Note: Detail may not add to total due to rounding.

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and state's attorneys. Fiscal 2001 State payments for Carroll County for teachers, librarians, community college faculty and local officials are estimated to be \$11,030,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers or State agencies in the counties. What follows are estimates of fiscal 2001 allocations for various programs. Note that for most programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2000) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	1,539,000
Family Health & Primary Care	213,000
Geriatric & Children's Services	362,000
Mental Health	3,325,000
Prevention & Disease Control	141,000
Developmental Disabilities	7,940,000
AIDS	60,000

Social Services

Homeless Services Program	83,000
Women's Services Program	229,000
Adult Services	44,000
Child Welfare Services	584,000

Senior Citizen Services

Long Term Care	239,000
Community Services	48,000

C. Selected State Grants for Capital Projects

Public Schools

Carroll Springs Elementary School - wiring	10,000
Century High School - construction	5,862,000
Liberty High School - renovations (roof)	485,000
South Carroll High School - science facilities	260,000

Juvenile Justice Bond Program

Bowling Brook - gym conversion	525,000
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Partnership Rental Housing Program

Schriner Court	1,300,000
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Chesapeake Bay Water Quality Loan

Westminster WWTP - nutrient removal	525,790
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Other Projects

Carroll County Agricultural Center (HB 542)	300,000
Carroll County General Hospital, Inc. (SB 95)	640,000

D. Capital Projects for State Facilities in the County

General Government

New District Court - Westminster	7,978,000
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Department of Natural Resources

Patapsco State Park Greenway	985,000
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Department of Public Safety & Corrections

Central Laundry Facility - construct steam plant	3,695,000
Central Laundry Facility - renovate kitchen/dining hall	277,000

Cecil County

A. Direct Aid and Retirement Payments

1. Direct Aid/Shared Revenues

	<u>FY 2000</u>	<u>FY 2001</u>	<u>Difference</u>	<u>% Diff.</u>
	(\$ in Thousands)			
<u>Public Schools</u>				
Current Expense Aid	35,864	37,248	1,384	3.9
Compensatory Aid	1,594	1,744	150	9.4
Transportation Aid	2,406	2,511	104	4.3
Special Education Aid	1,507	1,569	62	4.1
Limited English Prof. Grants	65	85	20	31.3
Targeted Poverty Grants	412	412		
Extended Elementary	810	810		
Aging Schools	355	355		
Targeted Improvement	282	311	30	10.5
Teacher Development	104	104		
Teacher Salary Grant		1,110	1,110	
Academic Intervention		232	232	
Other Education Aid	<u>616</u>	<u>582</u>	<u>-33</u>	<u>-5.4</u>
PRIMARY/SECONDARY EDUCATION	44,013	47,071	3,057	6.9
LIBRARIES	426	463	37	8.7
COMMUNITY COLLEGES	2,847	3,142	295	10.4
HEALTH FORMULA GRANTS	882	1,000	118	13.3
<u>Public Safety</u>				
State Aid for Police Protection*	816	839	23	2.8
Fire, Rescue & Ambulance Service*	<u>205</u>	<u>205</u>		
TOTAL PUBLIC SAFETY	1,021	1,043	23	2.2
PROGRAM OPEN SPACE	472	498	26	5.5
TRANSPORTATION GRANTS*	5,690	5,961	272	4.8
TOTAL DIRECT AID	55,350	59,177	3,827	6.9
Aid Per Capita	650	684	34	5.2
Property Tax Equivalent (\$)	2.87	3.00	0.13	4.5

Note: Detail may not add to total due to rounding.

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and state's attorneys. Fiscal 2001 State payments for Cecil County for teachers, librarians, community college faculty and local officials are estimated to be \$6,481,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers or State agencies in the counties. What follows are estimates of fiscal 2001 allocations for various programs. Note that for most programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2000) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	559,000
Family Health & Primary Care	234,000
Geriatric & Children's Services	368,000
Mental Health	3,010,000
Prevention & Disease Control	91,000
Developmental Disabilities	3,976,000
AIDS	60,000

Social Services

Homeless Services Program	41,000
Women's Services Program	79,000
Adult Services	50,000
Child Welfare Services	800,000

Senior Citizen Services

Long Term Care	125,000
Community Services	41,000

C. Selected State Grants for Capital Projects

Public Schools

Bay View Elementary School - construction	2,000,000
North East Elementary School - construction	500,000

Cecil Community College

Athletic fields - renovation	183,000
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Chesapeake Bay Water Quality Loan

Carpenter's Point Sewer	300,000
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Fish Passage Program

Octoraro Creek - fishway	65,600
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Waterway Improvement

Chesapeake City - floating dock construction	8,000
Chesapeake City - pier construction	8,000
Elk River - main channel dredging	250,000
North East - transient boat pier construction	50,000
North East - transient dock with bulkhead	150,000
Port Deposit Marine Park - boat ramp repair	25,000
Port Deposit Marine Park - jetty repair	25,000
River Point Landing - boat ramp and bulkhead, Phase II	25,000

Other Projects

Cecil County Family Support and Education Center (HB 677)	250,000
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The Boys & Girls Clubs of Cecil County (HB 1359)	100,000
Town of Elkton (SB 438)	650,000

D. Capital Projects for State Facilities in the County

Maryland State Police

North East Barrack - construction	289,000
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Department of Natural Resources

Elk Neck State Park - dam rehabilitation	41,000
Fair Hill NRMA - hay barns	617,000
Fair Hill NRMA - maintenance facility	83,000

Charles County

A. Direct Aid and Retirement Payments

1. Direct Aid/Shared Revenues

	<u>FY 2000</u>	<u>FY 2001</u>	<u>Difference</u>	<u>% Diff.</u>
	(\$ in Thousands)			
<u>Public Schools</u>				
Current Expense Aid	48,117	50,642	2,524	5.2
Compensatory Aid	1,631	1,783	152	9.3
Transportation Aid	4,544	4,727	183	4.0
Special Education Aid	3,051	3,253	203	6.6
Limited English Prof. Grants	135	163	28	21.1
Targeted Poverty Grants	609	609		
Extended Elementary	1,070	1,070		
Aging Schools	65	65		
Targeted Improvement	362	387	26	7.1
Teacher Development	150	134	-16	-10.7
Teacher Salary Grant		704	704	
Academic Intervention		330	330	
Other Education Aid	<u>965</u>	<u>805</u>	<u>-160</u>	<u>-16.6</u>
PRIMARY/SECONDARY EDUCATION	60,700	64,673	3,973	6.5
LIBRARIES	536	586	50	9.3
COMMUNITY COLLEGES	4,257	4,810	553	13.0
HEALTH FORMULA GRANTS	1,104	1,242	138	12.5
<u>Public Safety</u>				
State Aid for Police Protection*	1,068	1,096	28	2.6
Fire, Rescue & Ambulance Service*	219	224	4	2.0
Other Public Safety	<u>97</u>	<u>97</u>		
TOTAL PUBLIC SAFETY	1,385	1,417	32	2.3
PROGRAM OPEN SPACE	830	875	45	5.4
TRANSPORTATION GRANTS*	6,807	7,131	324	4.8
PROPERTY TAX GRANTS		1,261	1,261	
TOTAL DIRECT AID	75,619	81,995	6,376	8.4
Aid Per Capita	619	660	41	6.6
Property Tax Equivalent (\$)	2.26	2.46	0.20	8.8

Note: Detail may not add to total due to rounding.

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and state's attorneys. Fiscal 2001 State payments for Charles County for teachers, librarians, community college faculty

and local officials are estimated to be \$9,344,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers or State agencies in the counties. What follows are estimates of fiscal 2001 allocations for various programs. Note that for most programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2000) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	680,000
Family Health & Primary Care	179,000
Geriatric & Children's Services	376,000
Mental Health	3,378,000
Prevention & Disease Control	104,000
Developmental Disabilities	4,368,000
AIDS	127,000

Social Services

Homeless Services Program	81,000
Women's Services Program	147,000
Adult Services	56,000
Child Welfare Services	946,000

Senior Citizen Services

Long Term Care	147,000
Community Services	42,000

C. Selected State Grants for Capital Projects

Public Schools

F.B. Gwynn Center - wiring	26,000
J.C. Parks Elementary School - relocatable classrooms	16,000
Lackey High School - construction	500,000
LaPlata High School - relocatable classrooms	16,000
McDonough High School - relocatable classrooms	65,000
McDonough High School - renovations (roof)	676,000
Radio Station Road Academy - wiring	16,000
Somers Middle School - relocatable classrooms	65,000
Westlake High School - relocatable classrooms	65,000

College of Southern Maryland

Calvert - Academic Complex	1,547,000
Charles - Academic Complex	1,065,000
Charles - Industrial Training Center	689,000
La Plata - renovate Phys Ed Building/construct addition	206,000
Renovate Administration Bldg. & construct cooling plant	406,000

Community Mental Health Centers

Spring Dell Center, Inc.	71,000
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Adult Day Care Centers

Senior Network, Inc. 918,000

Water Supply Assistance Loan

Bryans Road Well - water supply system 500,000

Quiet Acres - water supply system 180,000

Waterway Improvement

Cobb Island/Neale Sound - jetty project construction 12,000

Hatton Creek - boat launch ramp & boating pier const. 50,000

Indian Head - Mattingly Park pier and ramp replacement 25,000

Marbury VFD - fire boat upgrade 18,000

Potomac River - fire/rescue boat acquisition 50,000

Waldorf Fire Dept. - dive/rescue watercraft acquisition 17,500

Other Projects

Lions Camp Merrick Program (HB 860) 150,000

Port Tobacco Players Theater (SB 604) 400,000

Western Charles County Business/Industrial Park (HB 859) 150,000

D. Capital Projects for State Facilities in the County

Department of Natural Resources

Myrtle Grove WMA - regional service building 594,000

Potomac/Mattawoman Greenway 2,300,000

Other

Southern Maryland Higher Education Center - construction 5,177,000

University System of Maryland

College Park - MFRI Southern MD Regional Training Center 3,628,000

Dorchester County

A. Direct Aid and Retirement Payments

1. Direct Aid/Shared Revenues

	<u>FY 2000</u>	<u>FY 2001</u>	<u>Difference</u>	<u>% Diff.</u>
	(\$ in Thousands)			
<u>Public Schools</u>				
Current Expense Aid	11,708	12,065	357	3.1
Compensatory Aid	1,121	1,106	-15	-1.4
Transportation Aid	1,291	1,333	42	3.2
Special Education Aid	471	473	2	.4
Limited English Prof. Grants	58	82	24	41.8
Targeted Poverty Grants	353	353		
Extended Elementary	412	412		
Aging Schools	65	65		
Targeted Improvement	212	206	-6	-2.9
Teacher Development	78	78		
Teacher Salary Grant		366	366	
Academic Intervention		132	132	
Other Education Aid	<u>445</u>	<u>285</u>	<u>-160</u>	<u>-36.0</u>
PRIMARY/SECONDARY EDUCATION	16,214	16,955	742	4.6
LIBRARIES	176	182	6	3.3
COMMUNITY COLLEGES	641	769	128	20.0
HEALTH FORMULA GRANTS	480	549	69	14.4
<u>Public Safety</u>				
State Aid for Police Protection*	356	356		
Fire, Rescue & Ambulance Service*	<u>225</u>	<u>225</u>		
TOTAL PUBLIC SAFETY	581	581		
PROGRAM OPEN SPACE	152	161	9	5.7
TRANSPORTATION GRANTS*	4,311	4,518	207	4.8
PROPERTY TAX GRANTS		94	94	
DISPARITY GRANT	1,462	1,669	207	14.1
TOTAL DIRECT AID	24,017	25,478	1,461	6.1
Aid Per Capita	820	870	50	6.1
Property Tax Equivalent (\$)	3.57	3.67	0.10	2.8

Note: Detail may not add to total due to rounding.

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and state's attorneys. Fiscal 2001 State payments for Dorchester County for teachers, librarians, community college

faculty and local officials are estimated to be \$2,322,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers or State agencies in the counties. What follows are estimates of fiscal 2001 allocations for various programs. Note that for most programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2000) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	477,000
Family Health & Primary Care	204,000
Geriatric & Children's Services	338,000
Mental Health	1,163,000
Prevention & Disease Control	149,000
Developmental Disabilities	1,686,000
AIDS	266,000

Social Services

Homeless Services Program	40,000
Women's Services Program	348,000
Adult Services	54,000
Child Welfare Services	373,000

Senior Citizen Services

Long Term Care	206,000
Community Services	235,000

Note: Funding from women's services supports services in Caroline, Dorchester, Talbot, Kent, and Queen Anne's Counties. Funding from senior citizen services supports services in Dorchester, Somerset, Wicomico, and Worcester Counties.

C. Selected State Grants for Capital Projects

Public Schools

Cambridge/S. Dorchester High School - renovations (HVAC)	757,000
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Chesapeake College

Administration Building - renovation	208,000
Library Resource Center - construction	6,772,000

Community Mental Health Centers

Mid-Shore Partnership for Independent Living	459,000
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Chesapeake Bay Water Quality Loan

Cambridge WWTP - nutrient removal	500,000
Hurlock WWTP - nutrient removal	50,000

Waterway Improvement

Secretary - boat ramp replacement	40,000
Tylers Cove - parking lot improvements	15,000
Vienna - Waterfront Park improvements, Phase I	40,000

Other Projects

Harriet Tubman Center	50,000
Meredith House (SB 470)	100,000

D. Capital Projects for State Facilities in the County

Department of Natural Resources

Fishing Bay WMA - ramp, parking, & bulkhead	49,100
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Other

Eastern Shore Higher Education Center	525,000
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University System of Maryland

Center for Environmental Science - Aquaculture Ecology Lab	1,490,000
Center for Environmental Science - Coastal Sciences Lab	600,000

Frederick County

A. Direct Aid and Retirement Payments

1. Direct Aid/Shared Revenues

	<u>FY 2000</u>	<u>FY 2001</u>	<u>Difference</u>	<u>% Diff.</u>
	(\$ in Thousands)			
<u>Public Schools</u>				
Current Expense Aid	74,947	78,403	3,456	4.6
Compensatory Aid	1,796	1,963	167	9.3
Transportation Aid	4,319	4,557	238	5.5
Special Education Aid	3,338	3,594	256	7.7
Limited English Prof. Grants	212	301	89	42.1
Targeted Poverty Grants	605	605		
Extended Elementary	812	812		
Aging Schools	85	85		
Targeted Improvement	381	384	3	.7
Teacher Development	104	120	16	15.3
Teacher Salary Grant		1,198	1,198	
Academic Intervention		419	419	
Other Education Aid	<u>848</u>	<u>1,280</u>	<u>432</u>	<u>51.0</u>
PRIMARY/SECONDARY EDUCATION	87,447	93,721	6,274	7.2
LIBRARIES	747	789	41	5.5
COMMUNITY COLLEGES	4,319	5,195	877	20.3
HEALTH FORMULA GRANTS	1,742	1,918	175	10.1
<u>Public Safety</u>				
State Aid for Police Protection*	1,923	1,962	39	2.0
Fire, Rescue & Ambulance Service*	<u>338</u>	<u>344</u>	<u>6</u>	<u>1.8</u>
TOTAL PUBLIC SAFETY	2,262	2,306	45	2.0
PROGRAM OPEN SPACE	966	1,019	53	5.5
TRANSPORTATION GRANTS*	13,411	13,985	574	4.3
TOTAL DIRECT AID	110,894	118,932	8,038	7.2
Aid Per Capita	570	599	29	5.1
Property Tax Equivalent (\$)	2.25	2.38	0.13	5.8

Note: Detail may not add to total due to rounding.

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and state's attorneys. Fiscal 2001 State payments for Frederick County for teachers, librarians, community college faculty and local officials are estimated to be \$14,372,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers or State agencies in the counties. What follows are estimates of fiscal 2001 allocations for various programs. Note that for most programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2000) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	1,007,000
Family Health & Primary Care	97,000
Geriatric & Children's Services	452,000
Mental Health	5,572,000
Prevention & Disease Control	121,000
Developmental Disabilities	11,799,000
AIDS	43,000

Social Services

Homeless Services Program	144,000
Women's Services Program	72,000
Adult Services	71,000
Child Welfare Services	801,000

Senior Citizen Services

Long Term Care	172,000
Community Services	67,000

C. Selected State Grants for Capital Projects

Public Schools

Carroll Manor Elementary School - wiring	39,000
Catoctin High School - construction	2,000,000
Heather Ridge School - wiring	39,000
Hillcrest Elementary School - wiring	41,000
Linganore High School - renovations (roof/boiler)	527,000
Monocacy Middle School - renovations (roof)	248,000
Monocacy Middle School - wiring	74,000
Oakdale Elementary School - construction	2,000,000
Parkway Elementary School - wiring	39,000
South Frederick "A" Elementary School - wiring	39,000
Thomas Johnson High School - construction	3,000,000
Thomas Johnson Middle School - construction	2,244,000
Thurmont Primary School - construction	1,000,000
Walkersville Elementary School - wiring	39,000
Walkersville High School - renovations (roof)	480,000
Windsor Knolls Middle School - construction	204,000
Wolfsville Elementary School - construction	614,000
Woodsboro Elementary School - renovations (HVAC)	97,000
Yellow Springs Elementary School - wiring	39,000

Frederick Community College

Art & Student Center renovation, Phase I	10,000
Gymnasium - equip renovation/addition	50,000
Roads, parking, walkways, athletic fields	74,000

Local Jail Loan

128-Bed Work Release/Substance Abuse Facility	2,394,000
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Community Mental Health Centers

Goodwill Industries of Monocacy Valley	450,000
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Other Projects

American Red Cross (HB 960)	300,000
Carl & Norma Miller Children's Center	767,000
Delaplaine Visual Arts Education Center (SB 659)	75,000
Frederick County Girl Scout Day Camp (HB 907)	100,000
Frederick Memorial Health Care System (HB 873)	250,000
Weinberg Center for the Arts (SB 657)	200,000

D. Capital Projects for State Facilities in the County

Maryland State Police

Multi-Agency Law Enforcement Center - construction	259,000
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Department of Natural Resources

Cunningham Falls State Park - restroom construction	25,000
South Mountain	730,000

Garrett County

A. Direct Aid and Retirement Payments

1. Direct Aid/Shared Revenues

	<u>FY 2000</u>	<u>FY 2001</u>	<u>Difference</u>	<u>% Diff.</u>
	(\$ in Thousands)			
<u>Public Schools</u>				
Current Expense Aid	11,966	11,793	-173	-1.4
Compensatory Aid	1,126	1,183	57	5.0
Transportation Aid	1,658	1,710	53	3.2
Special Education Aid	556	555	-1	-.2
Targeted Poverty Grants	345	345		
Extended Elementary	311	311		
Aging Schools	85	85		
Targeted Improvement	189	186	-3	-1.4
Teacher Development	109	117	8	7.4
Teacher Salary Grant		175	175	
Academic Intervention		127	127	
Other Education Aid	<u>440</u>	<u>471</u>	<u>31</u>	<u>7.1</u>
PRIMARY/SECONDARY EDUCATION	16,786	17,059	274	1.6
LIBRARIES	150	152	2	1.6
COMMUNITY COLLEGES	2,312	2,319	7	.3
HEALTH FORMULA GRANTS	425	474	50	11.7
<u>Public Safety</u>				
State Aid for Police Protection*	246	243	-3	-1.3
Fire, Rescue & Ambulance Service*	<u>200</u>	<u>200</u>	<u>---</u>	<u>---</u>
TOTAL PUBLIC SAFETY	446	443	-3	-.7
PROGRAM OPEN SPACE	189	199	10	5.4
TRANSPORTATION GRANTS*	4,854	5,086	232	4.8
PROPERTY TAX GRANTS		6	6	
DISPARITY GRANT	2,326	2,585	259	11.1
TOTAL DIRECT AID	27,486	28,323	837	3.0
Aid Per Capita	941	973	32	3.4
Property Tax Equivalent (\$)	3.35	3.34	-0.01	-0.3

Note: Detail may not add to total due to rounding.

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and state's attorneys. Fiscal 2001 State payments for Garrett County for teachers, librarians, community college faculty and local officials are estimated to be \$2,344,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers or State agencies in the counties. What follows are estimates of fiscal 2001 allocations for various programs. Note that for most programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2000) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	536,000
Family Health & Primary Care	224,000
Geriatric & Children's Services	400,000
Mental Health	1,180,000
Prevention & Disease Control	131,000
Developmental Disabilities	1,852,000

Social Services

Homeless Services Program	19,000
Women's Services Program	46,000
Adult Services	14,000
Child Welfare Services	317,000

Senior Citizen Services

Long Term Care	114,000
Community Services	60,000

C. Selected State Grants for Capital Projects

Public Schools

Dennett Road Elementary School - renovations (boilers)	179,000
Northern High School - construction	251,000
Southern High School - construction	244,000

Garrett Community College

Campus accessibility and HVAC improvements	200,000
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Chesapeake Bay Water Quality Loan

Grantsville Stormwater Management	150,000
Meadow Mountain Sewer	400,000

Waterway Improvement

Friendsville - boat ramp, pavillions, & pave parking lot	28,500
Oakland - restrooms construction	50,000

Other Projects

Garrett Information Enterprise Center (HB 652)	500,000
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D. Capital Projects for State Facilities in the County

Department of Natural Resources

Deep Creek Lake State Park - floating docks installation	45,000
Herrington Manor State Park - docks replacement	30,000
New Germany State Park - construct dock and misc.	55,000

New Germany State Park - dam rehabilitation	47,000
Western Maryland Forest and Parks	360,000
Youghiogheny Wild and Scenic River	753,000

Harford County

A. Direct Aid and Retirement Payments

1. Direct Aid/Shared Revenues

	<u>FY 2000</u>	<u>FY 2001</u>	<u>Difference</u>	<u>% Diff.</u>
	(\$ in Thousands)			
<u>Public Schools</u>				
Current Expense Aid	85,015	87,613	2,598	3.1
Compensatory Aid	2,512	2,654	142	5.6
Transportation Aid	5,606	5,829	223	4.0
Special Education Aid	4,405	4,757	352	8.0
Limited English Prof. Grants	285	297	12	4.3
Targeted Poverty Grants	817	817		
Extended Elementary	850	850		
Aging Schools	400	400		
Targeted Improvement	526	512	-15	-2.8
Teacher Development	127	127		
Teacher Salary Grant		1,256	1,256	
Academic Intervention		427	427	
Other Education Aid	<u>1,328</u>	<u>1,294</u>	<u>-34</u>	<u>-2.6</u>
PRIMARY/SECONDARY EDUCATION	101,873	106,834	4,961	4.9
LIBRARIES	1,055	1,098	44	4.1
COMMUNITY COLLEGES	5,894	7,134	1,240	21.0
HEALTH FORMULA GRANTS	2,222	2,444	222	10.0
<u>Public Safety</u>				
State Aid for Police Protection*	2,100	2,125	25	1.2
Fire, Rescue & Ambulance Service*	353	357	3	.9
Other Public Safety	<u>64</u>	<u>64</u>		
TOTAL PUBLIC SAFETY	2,517	2,545	28	1.1
PROGRAM OPEN SPACE	1,357	1,440	83	6.1
TRANSPORTATION GRANTS*	11,689	12,231	542	4.6
PROPERTY TAX GRANTS		430	430	
TOTAL DIRECT AID	126,607	134,157	7,550	6.0
Aid Per Capita	572	598	26	4.5
Property Tax Equivalent (\$)	2.42	2.47	0.05	2.1

Note: Detail may not add to total due to rounding.

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and state's attorneys. Fiscal 2001 State payments for Harford County for teachers, librarians, community college

faculty and local officials are estimated to be \$16,829,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers or State agencies in the counties. What follows are estimates of fiscal 2001 allocations for various programs. Note that for most programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2000) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	740,000
Family Health & Primary Care	312,000
Geriatric & Children's Services	498,000
Mental Health	3,779,000
Prevention & Disease Control	280,000
Developmental Disabilities	4,326,000

Social Services

Homeless Services Program	41,000
Women's Services Program	323,000
Adult Services	62,000
Child Welfare Services	1,048,000

Senior Citizen Services

Long Term Care	320,000
Community Services	67,000

C. Selected State Grants for Capital Projects

Public Schools

Aberdeen High School - construction	2,000,000
Abingdon Elementary School - construction	700,000
Bel Air High School - wiring	122,000
Church Creek Elementary School - construction	1,208,000
Edgewood High School - wiring	126,000
Meadowvale Elementary School - construction	1,000,000
William Paca/Old Post Road Elementary School - wiring	73,000
Youth's Benefit Elementary School - renovations (roof)	282,000

Harford Community College

Chesapeake Center Office Wing - conversion	465,000
Harford Student Center - equipment	270,000
Maintenance building - construction	946,000
Maryland Hall Nursing Wing - conversion	37,000

Community Mental Health Centers

Arc of Northern Chesapeake Region, Inc.	112,000
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Chesapeake Bay Water Quality Loan

Box Hill - South Tributary - stormwater retrofit	132,000
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Havre de Grace WWTP - nutrient removal	300,000
Old Joppa Road Sewer	300,000

Water Supply Assistance Loan

Darlington - water supply system	450,000
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Waterway Improvement

Flying Point Park - boat ramp expansion & dredging	225,000
Joppatowne - Rumsey Island maintenance dredging	35,000

Other Projects

Ripken Stadium & Youth Baseball Academy	3,000,000
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D. Capital Projects for State Facilities in the County

Department of Natural Resources

Gunpowder Falls State Park - land acquisition	1,825,000
Rocks/Susquehanna State Park	150,000
Susquehanna State Park - construct small boat launch	3,000
Susquehanna State Park - dam rehabilitation	34,000
Susquehanna State Park - Lapidum parking lot expansion	35,000

Howard County

A. Direct Aid and Retirement Payments

1. Direct Aid/Shared Revenues

	<u>FY 2000</u>	<u>FY 2001</u>	<u>Difference</u>	<u>% Diff.</u>
	(\$ in Thousands)			
<u>Public Schools</u>				
Current Expense Aid	65,261	69,827	4,566	7.0
Compensatory Aid	1,033	1,184	151	14.6
Transportation Aid	5,388	5,779	391	7.2
Special Education Aid	4,144	4,451	307	7.4
Limited English Prof. Grants	1,273	1,435	162	12.7
Targeted Poverty Grants	462	462		
Extended Elementary	255	255		
Aging Schools	65	65		
Targeted Improvement	227	238	11	4.8
Teacher Development	58	74	16	27.6
Teacher Salary Grant		1,484	1,484	
Academic Intervention		464	464	
Other Education Aid	<u>1,311</u>	<u>1,532</u>	<u>222</u>	<u>16.9</u>
PRIMARY/SECONDARY EDUCATION	79,477	87,249	7,771	9.8
LIBRARIES	525	569	44	8.5
COMMUNITY COLLEGES	6,434	7,589	1,155	17.9
HEALTH FORMULA GRANTS	1,532	1,697	165	10.8
<u>Public Safety</u>				
State Aid for Police Protection	2,697	2,781	84	3.1
Fire, Rescue & Ambulance Service	370	373	3	.9
Other Public Safety	<u>149</u>	<u>149</u>		
TOTAL PUBLIC SAFETY	3,215	3,302	87	2.7
PROGRAM OPEN SPACE	2,415	2,540	125	5.2
TRANSPORTATION GRANTS	11,824	12,381	557	4.7
OTHER DIRECT AID	104	104		
TOTAL DIRECT AID	105,526	115,430	9,905	9.4
Aid Per Capita	427	456	29	6.8
Property Tax Equivalent (\$)	1.29	1.37	0.08	6.2

Note: Detail may not add to total due to rounding.

2. Retirement Payments

County teachers and librarians are members of either the teachers retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and state's attorneys. Fiscal 2001 State payments for Howard County for teachers, librarians, community college faculty and local officials are estimated to be \$20,839,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers or State agencies in the counties. What follows are estimates of fiscal 2001 allocations for various programs. Note that for most programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2000) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	576,000
Family Health & Primary Care	130,000
Geriatric & Children's Services	395,000
Mental Health	4,438,000
Prevention & Disease Control	114,000
Developmental Disabilities	11,485,000

Social Services

Homeless Services Program	114,000
Women's Services Program	233,000
Adult Services	15,000
Child Welfare Services	744,000

Senior Citizen Services

Long Term Care	301,000
Community Services	45,000

C. Selected State Grants for Capital Projects

Public Schools

Bollman Bridge Elementary School - wiring	36,000
Bonnie Branch Middle School - construction	1,296,000
Clarksville Elementary School - wiring	30,000
Ellicott Mills Middle School - construction	3,000,000
Gateway Learning Center - construction	2,000,000
Glenelg High School - construction	268,000
Guilford Elementary School - wiring	30,000
Hammond Elementary School - wiring	30,000
Hammond High School - wiring	44,000
Hammond Middle School - wiring	43,000
Howard Middle School - construction	2,517,000
Ilchester Elementary School - construction	406,000
Lime Kiln Middle School - construction	1,181,000
Longfellow Elementary School - wiring	30,000
Pointers Run Elementary School - construction	899,000
St. John's Lane Elementary School - construction	1,293,000
Thunder Hill Elementary School - wiring	30,000
Wilde Lake Middle School - wiring	36,000

Howard Community College

Instructional Lab Building - construction	404,000
Physical Education Building - renovate & construct addition	118,000

Adult Day Care Centers

St. Stephens Economic Development Corporation	457,000
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Senior Citizen Activity Centers

Ellicott City Senior Center	339,000
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Fish Passage Program

Union Dam Beach	95,000
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Other Projects

Florence Bain Senior Center (HB 118)	500,000
Howard County Conservancy (SB 134)	150,000
Howard County Technology Business Incubator	150,000

D. Capital Projects for State Facilities in the County

Department of Health & Mental Hygiene

Clifton T. Perkins Hospital - rehabilitation services wing renovation	2,820,000
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Department of Natural Resources

Patapsco Greenway Trail	849,000
Patapsco State Park Greenway	985,000

Department of Public Safety & Corrections

Patuxent Institution - install sprinkler system	305,000
Patuxent Institution - kitchen/dining facilities renovation	590,000
Patuxent Institution - security & gatehouse	3,300,000

Kent County

A. Direct Aid and Retirement Payments

1. Direct Aid/Shared Revenues

	<u>FY 2000</u>	<u>FY 2001</u>	<u>Difference</u>	<u>% Diff.</u>
	(\$ in Thousands)			
<u>Public Schools</u>				
Current Expense Aid	4,698	4,749	51	1.1
Compensatory Aid	235	228	-7	-3.1
Transportation Aid	866	894	27	3.2
Special Education Aid	353	353	-1	-.2
Limited English Prof. Grants	37	40	3	7.2
Targeted Poverty Grants	129	129		
Extended Elementary	280	280		
Aging Schools	65	65		
Targeted Improvement	64	63	-1	-1.4
Teacher Development	62	70	8	12.9
Teacher Salary Grant		89	89	
Academic Intervention		90	90	
Other Education Aid	<u>215</u>	<u>143</u>	<u>-72</u>	<u>-33.6</u>
PRIMARY/SECONDARY EDUCATION	7,005	7,192	187	2.7
LIBRARIES	77	78	1	1.2
COMMUNITY COLLEGES	294	352	59	20.0
HEALTH FORMULA GRANTS	414	387	-27	-6.5
<u>Public Safety</u>				
State Aid for Police Protection*	198	196	-2	-.9
Fire, Rescue & Ambulance Service*	<u>212</u>	<u>212</u>	<u>---</u>	<u>---</u>
TOTAL PUBLIC SAFETY	410	409	-2	-.4
PROGRAM OPEN SPACE	115	121	6	5.4
TRANSPORTATION GRANTS*	2,203	2,311	108	4.9
TOTAL DIRECT AID	10,518	10,850	332	3.2
Aid Per Capita	551	565	14	2.5
Property Tax Equivalent (\$)	1.93	1.97	0.04	2.1

Note: Detail may not add to total due to rounding.

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and state's attorneys. Fiscal 2001 State payments for Kent County for teachers, librarians, community college faculty and local officials are estimated to be \$1,372,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers or State agencies in the counties. What follows are estimates of fiscal 2001 allocations for various programs. Note that for most programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2000) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	981,000
Family Health & Primary Care	174,000
Geriatric & Children's Services	284,000
Mental Health	1,163,000
Prevention & Disease Control	55,000
Developmental Disabilities	719,000
AIDS	60,000

Social Services

Homeless Services Program	2,000
Women's Services Program	348,000
Adult Services	13,000
Child Welfare Services	187,000

Senior Citizen Services

Long Term Care	128,000
Community Services	84,000

Note: Funding from women's services supports services in Caroline, Dorchester, Talbot, Kent, and Queen Anne's Counties. Funding from senior citizen services supports services in Caroline, Kent, and Talbot Counties.

C. Selected State Grants for Capital Projects

Chesapeake College

Administration Building - renovation	208,000
Library Resource Center - construction	6,772,000

Community Mental Health Centers

Mid-Shore Partnership for Independent Living	459,000
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Fish Passage Program

Andover Dam - fishway	45,000
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Waterway Improvement

Shipyard Public Landing - bulkhead & ramp wingwall replacement	50,000
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Other Projects

Kent Family Center (HB 885)	300,000
Schooner Sultuna Project (HB 141)	100,000

D. Capital Projects for State Facilities in the County

Other

Eastern Shore Higher Education Center	525,000
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Montgomery County

A. Direct Aid and Retirement Payments

1. Direct Aid/Shared Revenues

	<u>FY 2000</u>	<u>FY 2001</u>	<u>Difference</u>	<u>% Diff.</u>
	(\$ in Thousands)			
<u>Public Schools</u>				
Current Expense Aid	101,271	108,525	7,254	7.2
Compensatory Aid	4,317	4,297	-21	-.5
Transportation Aid	13,663	14,733	1,070	7.8
Special Education Aid	14,650	15,804	1,154	7.9
Limited English Prof. Grants	11,911	14,391	2,480	20.8
Targeted Poverty Grants	3,366	3,366		
Extended Elementary	1,266	1,266		
Aging Schools	1,170	1,170		
Targeted Improvement	1,120	1,178	58	5.2
Teacher Development	654	638	-16	-2.4
Teacher Salary Grant		5,150	5,150	
Academic Intervention		1,297	1,297	
Other Education Aid	<u>6,922</u>	<u>8,226</u>	<u>1,304</u>	<u>18.8</u>
PRIMARY/SECONDARY EDUCATION	160,311	180,041	19,729	12.3
LIBRARIES	1,835	1,951	115	6.3
COMMUNITY COLLEGES	21,260	25,394	4,134	19.4
HEALTH FORMULA GRANTS	4,077	3,865	-212	-5.2
<u>Public Safety</u>				
State Aid for Police Protection*	13,550	13,784	235	1.7
Fire, Rescue & Ambulance Service*	1,302	1,300	-2	-.2
Other Public Safety	<u>403</u>	<u>403</u>		
TOTAL PUBLIC SAFETY	15,254	15,487	232	1.5
PROGRAM OPEN SPACE	6,147	6,434	287	4.7
TRANSPORTATION GRANTS*	33,795	34,346	550	1.6
PROPERTY TAX GRANTS		1,383	1,383	
TOTAL DIRECT AID	242,680	268,899	26,219	10.8
Aid Per Capita	284	312	28	9.9
Property Tax Equivalent (\$)	0.74	0.81	0.07	9.5

Note: Detail may not add to total due to rounding.

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and state's attorneys. Fiscal 2001 State payments for Montgomery County for teachers, librarians, community college

faculty and local officials are estimated to be \$74,027,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers or State agencies in the counties. What follows are estimates of fiscal 2001 allocations for various programs. Note that for most programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2000) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	2,469,000
Geriatric & Children's Services	1,549,000
Mental Health	18,573,000
Prevention & Disease Control	390,000
Developmental Disabilities	15,434,000
AIDS	203,000

Social Services

Homeless Services Program	359,000
Women's Services Program	287,000
Adult Services	350,000
Child Welfare Services	2,319,000

Senior Citizen Services

Long Term Care	808,000
Community Services	192,000

C. Selected State Grants for Capital Projects

Public Schools

Brown Station Elementary School - renovations (roof)	214,000
Brown Station Elementary School - wiring	30,000
Burnt Hills Elementary School - renovations (boilers)	125,000
Cabin John Middle School - construction	180,000
Captain J. Daly Elementary School - wiring	39,000
Clopper Mill Elementary School - wiring	32,000
Colonel Z. Magruder High School - construction	1,000,000
Colonel Z. Magruder High School - renovations (roof)	202,000
Damascus High School - renovations (roof)	101,000
Darnestown Elementary School - renovations (roof/boiler)	230,000
Dr. Sally Ride Elementary School - wiring	37,000
E.B. Lee Middle School - renovations (piping/vent)	250,000
E.B. Wood Middle School - construction	329,000
East Silver Spring Elementary School - wiring	30,000
Eastern Middle School - construction	1,500,000
Fields Road Elementary School - wiring	30,000
Flower Hill Elementary School - wiring	30,000
Forest Knolls Elementary School - construction	966,000

Forest Oak Middle School - construction	985,000
Fox Chapel Elementary School - wiring	30,000
Garrett Park Elementary School - construction	141,000
Garrett Park Elementary School - wiring	30,000
Glenallen Elementary School - wiring	30,000
Greencastle Elementary School - wiring	39,000
Grosvenor Center - renovations (roof)	100,000
Herbert Hoover Middle School - construction	1,566,000
Highland View Elementary School - wiring	30,000
J.H. Blake High School - construction	631,000
Judith Resnick Elementary School - wiring	39,000
Kingsview Middle School - construction	438,000
Maryvale Elementary School - wiring	46,000
Meadow Hall Elementary School - construction	500,000
Meadow Hall Elementary School - wiring	30,000
Northwest Elementary School - construction	3,000,000
Northwest High School - construction	1,500,000
Piney Branch Elementary School - wiring	50,000
Rock Creek Elementary School - wiring	30,000
Rock Creek Valley Elementary School - construction	1,500,000
Sequoyah Elementary School - wiring	36,000
Seven Locks Elementary School - renovations (roof)	122,000
Sligo Middle School - relocatable classrooms	72,000
Sligo Middle School - renovations (roof)	86,000
Stedwick Elementary School - wiring	42,000
Strathmore Elementary School - wiring	30,000
Strawberry Knolls Elementary School - wiring	39,000
T.S. Wootten High School - construction	1,091,000
T.S. Wootten High School - renovations (roof)	84,000
Takoma Park Elementary School - wiring	30,000
Tilden Center - renovations (piping/vent)	175,000
Tilden Middle School - renovations (piping/vent)	200,000
Walter Johnson High School - construction	2,000,000
Watkins Mill Elementary School - wiring	30,000
Watkins Mill High School - construction	181,000
Wheaton High School - construction	3,784,000
Whetstone Elementary School - wiring	38,000
Wood Acres Elementary School - construction	1,500,000

Montgomery College

Rockville - equip music building	70,000
Takoma Park - campus expansion	760,000

Local Jail Loan

Montgomery County Detention Center	7,703,000
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Community Mental Health Centers

CHI Centers, Inc.	600,000
Community Services for Autistic Adults & Children, Inc.	1,439,000
Jewish Foundation for Group Homes, Inc.	300,000

Adult Day Care Centers

Support Center, Inc.	675,000
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Chesapeake Bay Water Quality Loan

Blue Plains WWTP - nutrient removal	3,000,000
Seneca WWTP - nutrient removal	3,000,000

Other Projects

Alpha Phi Alpha Smithville School Museum (SB 506)	250,000
Bethesda Academy of Performing Arts	1,500,000
Chelsea School	300,000
Gaithersburg Town Center Redevelopment	2,000,000
Garrett Park - Penn Place	500,000
George Meany Center - construct Kirkland Center	1,000,000
Germantown Boys & Girls Club	500,000
Glen Echo Park - restoration	2,000,000
Hebrew Home of Greater Washington (HB 418)	650,000
Ivymount School	1,000,000
Jubilee Association	250,000
Liz Lerman Dance Exchange - "Intelligent Stage"	300,000
Lone Oak Center	500,000
Montgomery County Equestrian Center	600,000
Olney Boys and Girls Club Community Park	500,000
Olney Boys and Girls Club Community Park (HB 340)	300,000
Olney Theater Center for the Arts - Phase II	1,500,000
Pyramid Atlantic - Site for Electronic Media, Art and Applied Art	250,000
R.S. Lourie Center for Infants & Young Children	250,000
Rehabilitation Opportunities (SB 823)	500,000
Rockville Town Center - parking garage	1,000,000
Sandy Spring Slave Museum	50,000
Silver Spring Innovation Center (HB 626)	500,000
Silver Spring Redevelopment	5,000,000
Strathmore Hall Performing Arts Center	1,000,000
Suburban Hospital Healthcare System (HB 401)	1,000,000
Takoma Park Community Learning Center	500,000

D. Capital Projects for State Facilities in the County

General Government

New District Court - Rockville	4,600,000
New District Court - Silver Spring	4,620,000

Department of Natural Resources

Patuxent River NRMA/Greenway	1,060,000
Seneca Creek State Park - dam rehabilitation	123,000
Seneca Creek State Park - replace floating dock	30,000
<u>University System of Maryland</u>	
Biotechnology Institute - Center for Advanced Research	2,755,000
Shady Grove Educational Facility	800,000

Prince George's County

A. Direct Aid and Retirement Payments

1. Direct Aid/Shared Revenues

	<u>FY 2000</u>	<u>FY 2001</u>	<u>Difference</u>	<u>% Diff.</u>
	(\$ in Thousands)			
<u>Public Schools</u>				
Current Expense Aid	287,421	302,578	15,157	5.3
Compensatory Aid	12,243	11,955	-288	-2.4
Transportation Aid	19,261	19,934	673	3.5
Special Education Aid	30,926	33,901	2,976	9.6
Limited English Prof. Grants	6,859	8,582	1,723	25.1
Targeted Poverty Grants	7,684	7,684		
Magnet/Effective Schools	16,100	16,100		
Extended Elementary	1,732	1,732		
Aging Schools	970	970		
Targeted Improvement	4,193	4,215	23	.5
Teacher Development	5,644	5,620	-24	-.4
Teacher Salary Grant		4,518	4,518	
Academic Intervention		1,946	1,946	
Other Education Aid	<u>8,654</u>	<u>9,814</u>	<u>1,160</u>	<u>13.4</u>
PRIMARY/SECONDARY EDUCATION	401,687	429,549	27,863	6.9
LIBRARIES	4,237	4,624	386	9.1
COMMUNITY COLLEGES	14,519	17,302	2,783	19.2
HEALTH FORMULA GRANTS	7,129	7,631	502	7.0
<u>Public Safety</u>				
State Aid for Police Protection*	12,845	13,006	161	1.3
Fire, Rescue & Ambulance Service*	1,126	1,127	1	.1
Other Public Safety	<u>4,477</u>	<u>4,477</u>		
TOTAL PUBLIC SAFETY	18,447	18,609	162	.9
PROGRAM OPEN SPACE	5,188	5,469	281	5.4
TRANSPORTATION GRANTS*	28,906	30,244	1,338	4.6
OTHER DIRECT AID *	180	230	50	27.7
PROPERTY TAX GRANTS		3,872	3,872	
DISPARITY GRANT		4,776	4,776	
TOTAL DIRECT AID	480,293	522,306	42,013	8.7
Aid Per Capita	608	657	49	8.1
Property Tax Equivalent (\$)	2.71	2.93	0.22	8.1

Note: Detail may not add to total due to rounding.

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and state's attorneys. Fiscal 2001 State payments for Prince George's County for teachers, librarians, community college faculty and local officials are estimated to be \$57,039,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers or State agencies in the counties. What follows are estimates of fiscal 2001 allocations for various programs. Note that for most programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2000) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	4,656,000
Family Health & Primary Care	379,000
Geriatric & Children's Services	2,076,000
Mental Health	20,353,000
Prevention & Disease Control	370,000
Developmental Disabilities	35,821,000
AIDS	290,000

Social Services

Homeless Services Program	481,000
Women's Services Program	420,000
Adult Services	281,000
Child Welfare Services	3,160,000

Senior Citizen Services

Long Term Care	666,000
Community Services	197,000

C. Selected State Grants for Capital Projects

Public Schools

Ardmore Elementary School - wiring	43,000
Baden Elementary School - renovations (roof)	330,000
Calverton Elementary School - renovations (structure)	267,000
Carmody Hills Elementary School - construction	3,315,000
Catherine T. Reed Elementary School - renovations (roof)	270,000
Chapel Forge Early Childhood Center - renovations (roof)	263,000
Doswell E. Brooks Elementary School - wiring	40,000
East Central Middle School - construction	2,000,000
Eleanor Roosevelt High School - renovations (boilers)	248,000
Fairmont Heights/Chapel Oaks Elementary School - construction	3,130,000
Glenn Dale Elementary School - renovations (roof)	136,000
Greater Capitol Heights Elem. School - construction	1,000,000
Gwynn Park High School - renovations (roof)	183,000
Hill Road Middle School/Benjamin Davis Elementary School - construction	7,000,000

Hil-Mar Elementary School - construction	1,429,000
Hollywood Elementary School - wiring	35,000
Indian Queen Elementary School - wiring	45,000
Kenmoor Elementary School - wiring	45,000
Kettering Elementary School - wiring	45,000
Kettering Middle School - renovations (roof)	584,000
Langley Park/McCormick Elementary School - renovations (roof)	381,000
Lord Baltimore Middle School - renovations (roof)	461,000
Magnolia Elementary School - wiring	45,000
Marlton Elementary School - renovations (roof)	321,000
Montpelier Elementary School - wiring	45,000
Northwest High School - construction	2,501,000
Owens Road Elementary School - wiring	31,000
Paint Branch Elementary School - wiring	45,000
Parkdale High School - renovations (roof)	909,000
Perrywood Elementary School - construction	2,738,000
Phyllis E. Williams Elementary School - renovations (roof)	322,000
Riverdale Elementary School - renovations (roof)	227,000
Thomas Johnson Middle School - renovations (roof)	549,000
<u>Prince George's Community College</u>	
Bladen & Lanham Halls - renovation	525,000
Bladen Hall - renovate student services wing	159,000
Physical Plant Building - replace major systems	15,000
Student Center & Bladen/Lanham Halls - replace major systems	39,000
<u>Local Jail Loan</u>	
County Detention Center - expansion	1,176,000
<u>Community Mental Health Centers</u>	
Melwood Horticultural Center, Inc.	432,000
<u>Adult Day Care Centers</u>	
Reid Adult Day Care Center	193,000
St. Paul Community Development Corporation	969,000
<u>Chesapeake Bay Water Quality Loan</u>	
Anacostia River Basin - wetland improvements	32,500
Bladensburg - environmental restoration	93,000
<u>Waterway Improvement</u>	
Bladensburg - new parking at Historic Waterfront Park	10,000
<u>Other Projects</u>	
Bethel Recreation Center (HB 291)	250,000
Bladensburg Waterfront Park	850,000
Bowie Civic Auditorium	1,000,000
Bowie Regional Arts Vision Associates	1,000,000
Brentwood Veterans Memorial Park (HB 665)	60,000
Cheverly Health Center	500,000

Children's Guild, Inc.	200,000
Cottage City - Town Hall	60,000
District Heights - infrastructure improvements	200,000
Edgemeade - MD Center for Youth & Family Development	500,000
Glenarden Municipal Center Complex	250,000
Hard Bargain Farm	300,000
Jordan Baptist Church - House of Healing	150,000
Melwood - Horticultural Training Center Facility (SB 804)	250,000
Minority Access Community Center (HB 1032)	300,000
Mt. Rainier Revitalization Project (HB 1342)	60,000
National Philippine Cultural Center	250,000
Norbrooke Knolls Center (HB 1341)	250,000
Phelps Center	570,000
Potomac Curling Club of the National Capital Area (SB 501)	250,000
Prince George's Hospital Center, Inc. (SB 326)	1,000,000
Pullen Performing Arts Center	500,000
Riversdale Mansion (HB 470)	300,000
Southern Area Technology Center	250,000
Spirit of Faith Christian Center (SB 892)	400,000
Springhill Lake Recreation Center (SB 842)	25,000
St. Paul Community Centre (SB 839)	400,000
Suitland Business Incubator (HB 651)	240,000
Suitland Citizens Association (HB 655)	200,000
Suitland Revitalization Project	3,000,000

D. Capital Projects for State Facilities in the County

Department of Natural Resources

Merkle WMA - maintenance facility	127,000
Patuxent River NRMA/Greenway	1,060,000
Potomac/Mattawoman Greenway	2,300,000

University System of Maryland

Bowie State - campuswide site improvements	2,500,000
Bowie State - construct new science building	9,930,000
College Park - Business School addition	2,000,000
College Park - Chemistry Teaching Building	23,200,000
College Park - construct new arena	45,645,000
College Park - Engineering & Applied Sciences Building	40,503,000
College Park - Graduate Center	210,000
College Park - Health Center addition & renovation	7,800,000
College Park - Hornbake & McKeldin Libraries	1,400,000
College Park - Key & Taliaferro Halls	2,300,000
College Park - MD Fire & Rescue Institute Headquarters	3,588,000
College Park - North Campus parking garage	18,200,000

Queen Anne's County

A. Direct Aid and Retirement Payments

1. Direct Aid/Shared Revenues

	<u>FY 2000</u>	<u>FY 2001</u>	<u>Difference</u>	<u>% Diff.</u>
	(\$ in Thousands)			
<u>Public Schools</u>				
Current Expense Aid	11,912	12,422	509	4.3
Compensatory Aid	418	475	57	13.6
Transportation Aid	1,491	1,558	67	4.5
Special Education Aid	563	602	40	7.1
Limited English Prof. Grants	29	44	15	50.6
Targeted Poverty Grants	156	156		
Extended Elementary	351	351		
Aging Schools	85	85		
Targeted Improvement	71	76	4	6.3
Teacher Development	38	30	-8	-21.0
Teacher Salary Grant		191	191	
Academic Intervention		141	141	
Other Education Aid	<u>305</u>	<u>348</u>	<u>43</u>	<u>14.0</u>
PRIMARY/SECONDARY EDUCATION	15,419	16,479	1,060	6.9
LIBRARIES	136	136		
COMMUNITY COLLEGES	856	1,027	171	20.0
HEALTH FORMULA GRANTS	449	515	66	14.8
<u>Public Safety</u>				
State Aid for Police Protection*	330	376	46	14.0
Fire, Rescue & Ambulance Service*	<u>200</u>	<u>200</u>	<u>0</u>	<u>0</u>
TOTAL PUBLIC SAFETY	530	576	46	8.7
PROGRAM OPEN SPACE	248	261	13	5.1
TRANSPORTATION GRANTS*	4,156	4,356	200	4.8
TOTAL DIRECT AID	21,795	23,350	1,555	7.1
Aid Per Capita	529	557	28	5.3
Property Tax Equivalent (\$)	1.79	1.87	0.08	4.5

Note: Detail may not add to total due to rounding.

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and state's attorneys. Fiscal 2001 State payments for Queen Anne's County for teachers, librarians, community college faculty and local officials are estimated to be \$2,867,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers or State agencies in the counties. What follows are estimates of fiscal 2001 allocations for various programs. Note that for most programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2000) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	383,000
Family Health & Primary Care	108,000
Geriatric & Children's Services	408,000
Mental Health	1,163,000
Prevention & Disease Control	211,000
Developmental Disabilities	932,000

Social Services

Homeless Services Program	14,000
Women's Services Program	348,000
Adult Services	15,000
Child Welfare Services	255,000

Senior Citizen Services

Long Term Care	108,000
Community Services	33,000

Note: Funding from women's services supports services in Caroline, Dorchester, Talbot, Kent, and Queen Anne's Counties.

C. Selected State Grants for Capital Projects

Public Schools

Queen Anne's High School - construction	354,000
Stevensville Middle School - renovations (roof)	509,000

Chesapeake College

Administration Building - renovation	208,000
Library Resource Center - construction	6,772,000

Community Mental Health Centers

Mid-Shore Partnership for Independent Living	459,000
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Partnership Rental Housing Program

Riverside II	1,300,000
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Chesapeake Bay Water Quality Loan

Kent Island WWTP - nutrient removal	3,500,000
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Waterway Improvement

Kent Narrows - construct 4-lane boat ramp	50,000
Kent Narrows - DMP site reclamation	125,000

Other Projects

Maryland Watermen's Monument (HB 767)	85,000
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D. Capital Projects for State Facilities in the County

Maryland State Police

Centreville Helicopter Hangar - install new fuel tank 60,000

Other

Eastern Shore Higher Education Center 525,000

St. Mary's County

A. Direct Aid and Retirement Payments

1. Direct Aid/Shared Revenues

	<u>FY 2000</u>	<u>FY 2001</u>	<u>Difference</u>	<u>% Diff.</u>
	(\$ in Thousands)			
<u>Public Schools</u>				
Current Expense Aid	31,968	33,214	1,247	3.9
Compensatory Aid	1,640	1,851	211	12.9
Transportation Aid	2,946	3,086	140	4.7
Special Education Aid	2,112	2,186	73	3.5
Limited English Prof. Grants	106	149	43	40.8
Targeted Poverty Grants	463	463		
Extended Elementary	873	873		
Aging Schools	85	85		
Targeted Improvement	275	257	-18	-6.7
Teacher Development	94	78	-16	-17.0
Teacher Salary Grant		515	515	
Academic Intervention		218	218	
Other Education Aid	<u>439</u>	<u>486</u>	<u>47</u>	<u>10.8</u>
PRIMARY/SECONDARY EDUCATION	41,001	43,460	2,459	6.0
LIBRARIES	458	494	36	8.0
COMMUNITY COLLEGES	1,200	1,356	156	13.0
HEALTH FORMULA GRANTS	981	1,088	107	10.9
<u>Public Safety</u>				
State Aid for Police Protection*	782	806	23	3.0
Fire, Rescue & Ambulance Service*	<u>200</u>	<u>200</u>		
TOTAL PUBLIC SAFETY	982	1,006	23	2.4
PROGRAM OPEN SPACE	462	487	25	5.5
TRANSPORTATION GRANTS*	5,430	5,646	215	4.0
TOTAL DIRECT AID	50,514	53,537	3,022	6.0
Aid Per Capita	556	579	23	4.1
Property Tax Equivalent (\$)	2.46	2.51	0.05	2.0

Note: Detail may not add to total due to rounding.

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and state's attorneys. Fiscal 2001 State payments for St. Mary's County for teachers, librarians, community college faculty and local officials are estimated to be \$6,156,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers or State agencies in the counties. What follows are estimates of fiscal 2001 allocations for various programs. Note that for most programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2000) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	1,565,000
Family Health & Primary Care	128,000
Geriatric & Children's Services	394,000
Mental Health	3,142,000
Prevention & Disease Control	30,000
Developmental Disabilities	1,133,000

Social Services

Homeless Services Program	71,000
Women's Services Program	140,000
Adult Services	58,000
Child Welfare Services	581,000

Senior Citizen Services

Long Term Care	110,000
Community Services	66,000

C. Selected State Grants for Capital Projects

Public Schools

Banneker Elementary School - construction	2,500,000
Banneker Elementary School - relocatable classrooms	160,000
Esperanza Middle School - construction	1,613,000
Greenview Knolls Elementary School - renovations (roof)	347,000
Hollywood Elementary School - wiring	18,000
Leonardtwn High School - construction	4,000,000
Lexington Park Elementary School - construction	2,000,000
Mechanicsville Elementary School - wiring	12,000
Ridge Elementary School - renovations (HVAC/electrical)	467,000

College of Southern Maryland

Calvert - Academic Complex	1,547,000
Charles - Academic Complex	1,065,000
Charles - Industrial Training Center	689,000
La Plata - renovate Phys. Ed. Building/construct addition	206,000
Renovate Administration Bldg. & construct cooling plant	406,000

Waterway Improvement

St. Indigoes Landing - design/construct jetty/structure	50,000
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Other Projects

Lexington Park Family Support & Head Start Center (HB 614)	250,000
Patuxent River Naval Air Museum & Visitor Center	250,000

Summerseat Sanctuary (SB 256)	200,000
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D. Capital Projects for State Facilities in the County

Department of Natural Resources

Patuxent River NRMA/Greenway	1,060,000
Point Lookout State Park - replace existing fixed piers	85,000
St. Mary's River State Park - dam rehabilitation	53,000
St. Mary's River State Park - replace jetties	100,000

Historic St. Mary's City Commission

St. John's Archaeological Site	1,510,000
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Department of Environment

Point Lookout State Park - improve water & wastewater infrastructure	144,000
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Other

Southern Maryland Higher Education Center - construction	5,177,000
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St. Mary's College

Somerset Hall - expansion	1,087,000
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Somerset County

A. Direct Aid and Retirement Payments

1. Direct Aid/Shared Revenues

	<u>FY 2000</u>	<u>FY 2001</u>	<u>Difference</u>	<u>% Diff.</u>
	(\$ in Thousands)			
<u>Public Schools</u>				
Current Expense Aid	7,760	8,079	318	4.1
Compensatory Aid	984	1,029	46	4.6
Transportation Aid	1,005	1,042	36	3.6
Special Education Aid	372	379	7	1.9
Limited English Prof. Grants	50	54	4	8.1
Targeted Poverty Grants	268	268		
Extended Elementary	310	310		
Aging Schools	65	65		
Targeted Improvement	182	188	7	3.6
Teacher Development	77	77		
Teacher Salary Grant		239	239	
Academic Intervention		112	112	
Other Education Aid	<u>528</u>	<u>338</u>	<u>-189</u>	<u>-35.9</u>
PRIMARY/SECONDARY EDUCATION	11,600	12,179	579	5.0
LIBRARIES	198	205	7	3.3
COMMUNITY COLLEGES	312	363	52	16.5
HEALTH FORMULA GRANTS	495	578	83	16.8
<u>Public Safety</u>				
State Aid for Police Protection*	219	226	7	3.0
Fire, Rescue & Ambulance Service*	<u>200</u>	<u>200</u>	<u>—</u>	<u>—</u>
TOTAL PUBLIC SAFETY	419	426	7	1.6
PROGRAM OPEN SPACE	109	115	6	5.4
TRANSPORTATION GRANTS*	2,629	2,758	128	4.9
DISPARITY GRANT	3,246	3,525	279	8.6
TOTAL DIRECT AID	19,009	20,148	1,139	6.0
Aid Per Capita	773	816	43	5.6
Property Tax Equivalent (\$)	5.91	6.16	0.25	4.2

Note: Detail may not add to total due to rounding.

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and state's attorneys. Fiscal 2001 State payments for Somerset County for teachers, librarians, community college faculty and local officials are estimated to be \$1,428,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers or State agencies in the counties. What follows are estimates of fiscal 2001 allocations for various programs. Note that for most programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2000) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	471,000
Family Health & Primary Care	137,000
Geriatric & Children's Services	348,000
Mental Health	926,000
Prevention & Disease Control	149,000
Developmental Disabilities	1,521,000
AIDS	60,000

Social Services

Homeless Services Program	8,000
Women's Services Program	300,000
Adult Services	29,000
Child Welfare Services	355,000

Senior Citizen Services

Long Term Care	200,000
Community Services	235,000

Note: Funding from women's services supports services in Somerset, Wicomico, and Worcester Counties. Funding from senior citizen services supports services in Dorchester, Somerset, Wicomico, and Worcester Counties

C. Selected State Grants for Capital Projects

Public Schools

Tawes Technology & Career Center - renovations (HVAC)	456,000
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Community Mental Health Centers

McCready Health Service Foundation	873,000
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Chesapeake Bay Water Quality Loan

Crisfield WWTP - nutrient removal	416,000
Smith Island - environmental restoration	230,000
Smith Island WWTP - upgrade	300,000

Water Supply Assistance Loan

Crisfield - well and water storage system	370,000
Manokin - water supply system	300,000

Waterway Improvement

Crisfield City Dock and Depot - repair pier	25,000
Websters Cove - replace bulkhead & pier	20,000

Other Projects

Smith Island Environmental Restoration & Preservation Project	400,000
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Three Lower Counties Community Service Clinic (HB 906)	300,000
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D. Capital Projects for State Facilities in the County

Maryland State Police

Princess Anne Barrack - construction	2,901,000
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Department of Natural Resources

Janes Island State Park - sewer system	81,000
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Smith Island - Tylerton/Rhodes stabilization projects	100,000
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Somers Cove Marina - pier rehab. & lighting/landscaping	200,000
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Department of Environment

Eastern Correctional Institution Co-Generation Facility - improvements	2,925,000
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Other

Eastern Shore Higher Education Center	525,000
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University System of Maryland

Eastern Shore - Food Science & Technology Center construction	7,700,000
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Eastern Shore - physical plant/central receiving building	588,000
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Eastern Shore - social science, education and health science building	1,052,000
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Eastern Shore - Somerset Hall renovation	230,000
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Eastern Shore - Waters Dining Hall/Somerset Hall renovation	475,000
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Eastern Shore - Wicomico Hall renovation	200,000
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Talbot County

A. Direct Aid and Retirement Payments

1. Direct Aid/Shared Revenues

	<u>FY 2000</u>	<u>FY 2001</u>	<u>Difference</u>	<u>% Diff.</u>
	(\$ in Thousands)			
<u>Public Schools</u>				
Current Expense Aid	2,713	2,219	-494	-18.2
Compensatory Aid	260	270	10	3.8
Transportation Aid	829	846	17	2.1
Special Education Aid	268	265	-3	-1.0
Limited English Prof. Grants	57	79	22	37.9
Targeted Poverty Grants	150	150		
Extended Elementary	315	315		
Aging Schools	155	155		
Targeted Improvement	45	47	2	3.9
Teacher Development	56	48	-8	-14.3
Teacher Salary Grant		131	131	
Academic Intervention		125	125	
Other Education Aid	<u>205</u>	<u>233</u>	<u>28</u>	<u>13.6</u>
PRIMARY/SECONDARY EDUCATION	5,052	4,881	-170	-3.4
LIBRARIES	73	77	3	4.2
COMMUNITY COLLEGES	796	956	159	20.0
HEALTH FORMULA GRANTS	299	376	78	26.0
<u>Public Safety</u>				
State Aid for Police Protection*	380	392	12	3.1
Fire, Rescue & Ambulance Service*	<u>217</u>	<u>217</u>		
TOTAL PUBLIC SAFETY	597	609	12	2.0
PROGRAM OPEN SPACE	260	276	16	6.2
TRANSPORTATION GRANTS*	3,411	3,576	165	4.8
TOTAL DIRECT AID	10,489	10,751	262	2.5
Aid Per Capita	313	319	6	1.9
Property Tax Equivalent (\$)	0.76	0.75	-0.01	-1.3

Note: Detail may not add to total due to rounding.

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and state's attorneys. Fiscal 2001 State payments for Talbot County for teachers, librarians, community college faculty and local officials are estimated to be \$2,085,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers or State agencies in the counties. What follows are estimates of fiscal 2001 allocations for various programs. Note that for most programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2000) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	371,000
Family Health & Primary Care	221,000
Geriatric & Children's Services	237,000
Mental Health	1,163,000
Prevention & Disease Control	73,000
Developmental Disabilities	1,923,000
AIDS	60,000

Social Services

Homeless Services Program	37,000
Women's Services Program	348,000
Adult Services	25,000
Child Welfare Services	287,000

Senior Citizen Services

Long Term Care	300,000
Community Services	84,000

Note: Funding from women's services supports services in Caroline, Dorchester, Talbot, Kent, and Queen Anne's Counties. Funding from senior citizen services supports services in Caroline, Kent, and Talbot Counties.

C. Selected State Grants for Capital Projects

Public Schools

Easton Middle School - construction	3,500,000
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Chesapeake College

Administration Building - renovation	208,000
Library Resource Center - construction	6,772,000

Community Mental Health Centers

Mid-Shore Partnership for Independent Living	459,000
Talbot County Addictions Program	36,000

Adult Day Care Centers

Talbot County Adult Day Care Center	41,000
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Waterway Improvement

Bellevue Landing - bulkhead & slips upgrade	30,000
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Other Projects

Chesapeake Bay Maritime Museum (HB 962)	400,000
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D. Capital Projects for State Facilities in the County

Other

Washington County

A. Direct Aid and Retirement Payments

1. Direct Aid/Shared Revenues

	<u>FY 2000</u>	<u>FY 2001</u>	<u>Difference</u>	<u>% Diff.</u>
	(\$ in Thousands)			
<u>Public Schools</u>				
Current Expense Aid	44,753	44,573	-180	-.4
Compensatory Aid	2,464	2,631	167	6.8
Transportation Aid	3,305	3,464	158	4.8
Special Education Aid	2,588	2,746	158	6.1
Limited English Prof. Grants	169	224	55	32.8
Targeted Poverty Grants	736	736		
Extended Elementary	599	599		
Aging Schools	200	200		
Targeted Improvement	447	416	-31	-7.0
Teacher Development	206	174	-32	-15.5
Teacher Salary Grant		711	711	
Academic Intervention		272	272	
Other Education Aid	<u>1,019</u>	<u>869</u>	<u>-150</u>	<u>-14.7</u>
PRIMARY/SECONDARY EDUCATION	56,486	57,615	1,129	2.0
LIBRARIES	761	774	13	1.7
COMMUNITY COLLEGES	4,242	4,795	553	13.0
HEALTH FORMULA GRANTS	1,603	1,755	152	9.5
<u>Public Safety</u>				
State Aid for Police Protection*	1,357	1,341	-16	-1.2
Fire, Rescue & Ambulance Service*	<u>225</u>	<u>225</u>		
TOTAL PUBLIC SAFETY	1,582	1,566	-16	-1.0
PROGRAM OPEN SPACE	718	756	38	5.3
TRANSPORTATION GRANTS*	8,983	9,309	326	3.6
PROPERTY TAX GRANTS		179	179	
DISPARITY GRANT	208		-208	-100.0
TOTAL DIRECT AID	74,582	76,748	2,166	2.9
Aid Per Capita	584	600	16	2.7
Property Tax Equivalent (\$)	2.69	2.65	-0.04	-1.5

Note: Detail may not add to total due to rounding.

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and state's attorneys. Fiscal 2001 State payments for Washington County for teachers, librarians, community college

faculty and local officials are estimated to be \$8,887,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers or State agencies in the counties. What follows are estimates of fiscal 2001 allocations for various programs. Note that for most programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2000) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	1,584,000
Family Health & Primary Care	134,000
Geriatric & Children's Services	716,000
Mental Health	5,422,000
Prevention & Disease Control	140,000
Developmental Disabilities	15,269,000
AIDS	185,000

Social Services

Homeless Services Program	201,000
Women's Services Program	200,000
Adult Services	98,000
Child Welfare Services	1,107,000

Senior Citizen Services

Long Term Care	365,000
Community Services	94,000

C. Selected State Grants for Capital Projects

Public Schools

Boonsboro Elementary School - wiring	41,000
Eastern Elementary School - wiring	39,000
South Hagerstown High School - construction	4,000,000
Springfield Middle School - renovations (chiller)	211,000

Chesapeake Bay Water Quality Loan

Conococheague WWTP - nutrient removal	536,648
Halfway Sewer - replacement	300,000

Water Supply Assistance Loan

Hancock - water system	200,000
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Other Projects

Agricultural/Education Center (SB 723)	75,000
Fairgrounds Park Pavilions (SB 706)	75,000
Hagerstown Police Athletic League (HB 854)	50,000
Hagerstown YMCA Family Center (HB 855)	250,000
The Children's Village (HB 853)	75,000

D. Capital Projects for State Facilities in the County

Department of Health & Mental Hygiene

Western Maryland Center - replace HVAC system 500,000

Department of Juvenile Justice

Western Maryland Detention Center - construction 6,966,000

Department of Natural Resources

Greenbrier State Park - dam rehabilitation 66,000

Greenbrier State Park - day use area 555,000

South Mountain 730,000

Department of Public Safety & Corrections

Correctional Institution at Hagerstown - kitchen expansion 850,000

Correctional Institution at Hagerstown - perimeter security 1,800,000

University System of Maryland

Hagerstown Educational Center 697,000

Wicomico County

A. Direct Aid and Retirement Payments

1. Direct Aid/Shared Revenues

	<u>FY 2000</u>	<u>FY 2001</u>	<u>Difference</u>	<u>% Diff.</u>
	(\$ in Thousands)			
<u>Public Schools</u>				
Current Expense Aid	33,497	34,840	1,343	4.0
Compensatory Aid	2,487	2,611	123	5.0
Transportation Aid	2,497	2,578	81	3.2
Special Education Aid	1,043	1,042	-1	-1
Limited English Prof. Grants	281	360	78	27.8
Targeted Poverty Grants	611	611		
Extended Elementary	790	790		
Aging Schools	355	355		
Targeted Improvement	442	503	62	14.0
Teacher Development	126	134	8	6.4
Teacher Salary Grant		1,032	1,032	
Academic Intervention		244	244	
Other Education Aid	<u>473</u>	<u>555</u>	<u>82</u>	<u>17.3</u>
PRIMARY/SECONDARY EDUCATION	42,603	45,654	3,051	7.2
LIBRARIES	495	513	18	3.6
COMMUNITY COLLEGES	2,251	2,623	372	16.5
HEALTH FORMULA GRANTS	1,017	1,119	101	9.9
<u>Public Safety</u>				
State Aid for Police Protection*	896	896		
Fire, Rescue & Ambulance Service*	<u>233</u>	<u>233</u>		
TOTAL PUBLIC SAFETY	1,128	1,128		
PROGRAM OPEN SPACE	480	506	26	5.5
TRANSPORTATION GRANTS*	6,756	7,078	322	4.8
DISPARITY GRANT	578	789	211	36.5
TOTAL DIRECT AID	55,308	59,410	4,101	7.4
Aid Per Capita	690	738	48	7.0
Property Tax Equivalent (\$)	3.24	3.37	0.13	4.0

Note: Detail may not add to total due to rounding.

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and state's attorneys. Fiscal 2001 State payments for Wicomico County for teachers, librarians, community college faculty and local officials are estimated to be \$6,359,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers or State agencies in the counties. What follows are estimates of fiscal 2001 allocations for various programs. Note that for most programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2000) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	864,000
Family Health & Primary Care	231,000
Geriatric & Children's Services	689,000
Mental Health	4,056,000
Prevention & Disease Control	168,000
Developmental Disabilities	5,040,000
AIDS	60,000

Social Services

Homeless Services Program	33,000
Women's Services Program	300,000
Adult Services	36,000
Child Welfare Services	451,000

Senior Citizen Services

Long Term Care	250,000
Community Services	235,000

Note: Funding from women's services supports services in Somerset, Wicomico, and Worcester Counties. Funding from senior citizen services supports services in Dorchester, Somerset, Wicomico, and Worcester Counties

C. Selected State Grants for Capital Projects

Public Schools

Mardela Middle/Senior High School - renovations (roof)	180,000
Pemberton Elementary School - construction	2,500,000

Wor-Wic Tech Community College

Eastern Shore Criminal Justice Academy - construction	6,245,000
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Community Mental Health Centers

Deaf Independent Living Association, Inc.	66,000
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Chesapeake Bay Water Quality Loan

Coty Cox Branch - stream restoration	200,000
Salisbury WWTP - nutrient removal	1,000,000

Waterway Improvement

Nanticoke - boat ramp construction	25,000
Salisbury - riverside boat ramp replacement	30,000

Other Projects

Drill Academy for Youth (HB 494)	750,000
Pemberton Hall Foundation (HB 491)	200,000

D. Capital Projects for State Facilities in the County

Department of Juvenile Justice

Eastern Shore Detention Center - construction 6,403,000

Department of Natural Resources

Nanticoke River Greenway - land acquisition 150,000

Other

Eastern Shore Higher Education Center 525,000

University System of Maryland

Salisbury State - new Science Building 500,000

Worcester County

A. Direct Aid and Retirement Payments

1. Direct Aid/Shared Revenues

	<u>FY 2000</u>	<u>FY 2001</u>	<u>Difference</u>	<u>% Diff.</u>
	(\$ in Thousands)			
Public Schools				
Current Expense Aid	3,322	3,276	-46	-1.4
Compensatory Aid	429	435	6	1.5
Transportation Aid	1,495	1,541	46	3.1
Special Education Aid	350	371	21	5.9
Limited English Prof. Grants	80	88	8	10.1
Targeted Poverty Grants	300	300		
Extended Elementary	282	282		
Aging Schools	65	65		
Targeted Improvement	84	86	2	2.6
Teacher Development	85	85		
Teacher Salary Grant		219	219	
Academic Intervention		145	145	
Other Education Aid	<u>313</u>	<u>319</u>	<u>5</u>	<u>1.7</u>
PRIMARY/SECONDARY EDUCATION	6,806	7,213	407	6.0
LIBRARIES	95	101	6	6.0
COMMUNITY COLLEGES	1,007	1,174	166	16.5
HEALTH FORMULA GRANTS	266	320	54	20.2
<u>Public Safety</u>				
State Aid for Police Protection*	624	631	7	1.2
Fire, Rescue & Ambulance Service*	<u>239</u>	<u>238</u>	<u>-1</u>	<u>-.4</u>
TOTAL PUBLIC SAFETY	862	869	6	.7
PROGRAM OPEN SPACE	465	491	26	5.6
TRANSPORTATION GRANTS*	5,159	5,391	231	4.5
TOTAL DIRECT AID	14,661	15,558	896	6.1
Aid Per Capita	329	341	12	3.6
Property Tax Equivalent (\$)	0.57	0.59	0.02	3.5

Note: Detail may not add to total due to rounding.

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and state's attorneys. Fiscal 2001 State payments for Worcester County for teachers, librarians, community college faculty and local officials are estimated to be \$3,363,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers or State agencies in the counties. What follows are estimates of fiscal 2001 allocations for various programs. Note that for most programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2000) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	1,020,000
Family Health & Primary Care	180,000
Geriatric & Children's Services	445,000
Mental Health	1,508,000
Prevention & Disease Control	204,000
Developmental Disabilities	1,443,000
AIDS	60,000

Social Services

Homeless Services Program	33,000
Women's Services Program	326,000
Adult Services	22,000
Child Welfare Services	321,000

Senior Citizen Services

Long Term Care	197,000
Community Services	235,000

Note: Funding from women's services supports services in Somerset, Wicomico, and Worcester Counties. Funding from senior citizen services supports services in Dorchester, Somerset, Wicomico, and Worcester Counties

C. Selected State Grants for Capital Projects

Public Schools

Berlin Intermediate School - renovations (HVAC)	230,000
Showell Elementary School - renovations (HVAC)	230,000
Snow Hill Elementary School - renovations (HVAC)	262,000

Wor-Wic Tech Community College

Eastern Shore Criminal Justice Academy - construction	6,245,000
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Chesapeake Bay Water Quality Loan

Ocean Pines Salt Marsh - stream restoration	150,000
Pocomoke City WWTP - nutrient removal	200,000

Waterway Improvement

Snow Hill - replace Byrd Park bulkhead	35,000
West Ocean City - ramp parking expansion	262,500
West Ocean City Inlet - jetty project planning study	25,000

Other Projects

Ocean City Visitors and Information Center (HB 840)	400,000
Pocomoke City Fair (HB 195)	200,000
Worcester County Government Office Building	1,000,000

D. Capital Projects for State Facilities in the County

Department of Natural Resources

Eastern Coastal Bays	1,794,000
Isle of Wight WMA - day use area, phase II	650,000
Ocean City - beach replenishment	2,000,000
Ocean City - Navigation and Dog and Bitch Island improvements	190,000
Pocomoke River State Park - shad landing fields/parking	34,000

Other

Eastern Shore Higher Education Center	525,000
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University System of Maryland

Assateague Island - construct education & research center	1,500,000
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Part B

Taxes

Property Taxes

Truth in Taxation - Real Property Assessment

All real and personal property is valued for purposes of property taxation at full cash value. However, the law also provides that tax rates are only applied to a percentage of property value, which is termed the "assessment." Property assessments are the following percentages of full cash value:

- 100% - personal property and public utility operating real property;
- 50% - use value property (agricultural, marshland, woodland, etc.); and
- 40% - all other property.

Counties are required to impose one tax rate that is applicable to all property, both real and personal. Therefore, under the current system, differing levels of tax burden are imposed through the differing assessment levels.

As noted above, State and local tax rates are applied to most real property assessments that are equal to 40 percent of value. The tax rates are therefore 2.5 times what they would be if applied to assessments that equal the full value of the property. This has created confusion when State and local property tax rates in Maryland are compared to tax rates in other states. *Senate Bill 626 (passed)* addresses this problem by changing the method of assessing real property from 40 percent of value to full value and requiring a simultaneous reduction in property tax rates so that the change remains revenue neutral.

In addition to changing the assessment of real property to full value assessment, *Senate Bill 626* makes numerous adjustments to provisions throughout the Annotated Code of Maryland relating to State aid, debt limitations, and other provisions that reference the tax assessment of property. The Department of Assessments and Taxation is also directed to report to the General Assembly by December 1, 2000, regarding any further amendments to the law necessary to correct any provisions rendered inaccurate or obsolete as a result of the change to full value assessment for real property.

The Department of Assessments and Taxation is required to include a statement regarding this change in assessment notices issued for tax year 2000, and local governments are required to include similar statements in each real property tax bill beginning in tax year 2000, and in the constant yield tax rate notice for tax year 2001. The department is also required to adopt regulations adjusting the valuation of use value property so that the change in assessments is revenue neutral.

Property Tax Administration

Real Property - Recordation - Lien for Unpaid Personal Property Taxes

Historically, in the State, liens for unpaid real property taxes have been granted priority above other liens, including those held by mortgage lenders. Lenders can protect themselves from the risk posed by granting priority to these liens by requiring the establishment of a tax escrow for real property taxes. In recent years, a controversy has developed as some local jurisdictions have interpreted the law to grant this same priority to tax liens on real property for unpaid personal property tax owed by the owner of the real property. This interpretation has created a problem for lenders because they have no way of controlling for the risk of a borrower not paying personal property taxes, particularly if the personal property was purchased after the real property was underwritten. In order to eliminate this risk, *Senate Bill 12/House Bill 157 (both passed)* establish that in the event of a liquidation sale or a repossession of property by a

creditor, any liens for unpaid personal property taxes are extinguished, unless: (1) a personal property tax lien was recorded prior to recording the mortgage; or (2) the unpaid personal property taxes are owed by the transferee or subsequent owner of the land.

Property Tax Credits - Construction

In the past, the passage of an act granting or authorizing the granting of a property tax credit for a particular entity or type of entity has been cited as evidence that the legislature did not intend the entity or type of entity to be eligible for a property tax exemption. *Senate Bill 331/House Bill 821 (both passed)* provide that a law that grants a tax credit may not be construed to affect the eligibility of any entity for a property tax exemption.

Homeowner's Property Tax Credit

Residency Requirements: *House Bill 589 (passed)* changes the current homeowners' tax credit requirement that a home purchaser occupy the residence for six consecutive months to allow the home purchaser to be eligible if the purchaser occupies the residence for the remainder of the taxable year for which the property tax credit is sought.

Home Purchaser Application: Currently, a home purchaser may not apply for the homeowners' tax credit until settlement on the dwelling, and if a tax credit is granted, the Comptroller pays the homeowner the amount of credit. *House Bill 590 (passed)* allows a home purchaser to apply for a homeowners' tax credit after the execution of a contract of sale on a property and provides that the final tax liability due at settlement will be adjusted to reflect any credit certified by the Department of Assessments and Taxation.

Property Tax Relief

Tax Credits

Neighborhood Preservation and Stabilization Tax Credits: Chapter 599 of 1996 created a demonstration project for neighborhood preservation and stabilization in Baltimore City and Baltimore County. The 1996 legislation authorized Baltimore City and Baltimore County to grant property tax credits for ten years for owner-occupied residential property purchased from July 1, 1996 to June 30, 1999, in geographic areas designated by the local jurisdictions for participation in the project. Chapter 599 of 1996 also provided for matching State income tax credits for property owners who received the local property tax credits. Chapter 319 of 1999 extended the qualifying period by two years, to June 30, 2001, and expanded the geographic areas that could be designated to participate in the tax credit. During the 2000 session, bills were passed to further expand and extend the existing demonstration project in Baltimore City and Baltimore County and to authorize similar neighborhood preservation tax credits in Montgomery County and Prince George's County.

Senate Bill 348 (passed) extends the life of the Neighborhood Preservation and Stabilization demonstration project for Baltimore City and Baltimore County for one additional year, through June 30, 2002, and authorizes the inclusion of another neighborhood in Baltimore County for participation in the project.

House Bill 918 (passed) authorizes Montgomery County to establish a Neighborhood Preservation and Stabilization demonstration project for up to 1,500 dwelling units, purchased between July 1, 2000, and June 30, 2002, in specific geographic areas designated by the County Executive for inclusion in the project. The geographic areas designated by the County Executive must contain at least 50 single-family homes. The property tax credit equals 40 percent of the county property tax due for each of the first five years after purchase, and declines by 5 percent annually until the tenth year. After the tenth year, the credit expires. *House Bill 918* also provides for a matching State income tax credit equal to the property tax credit granted.

House Bill 1009 (passed) authorizes Prince George's County to establish a Neighborhood Preservation and Stabilization demonstration project for owner-occupied, residential real property purchased in designated neighborhoods from July 1, 2000, through June 30, 2002, in two geographic areas designated by the county. The two geographic areas must be located within at least two of the following: a priority funding area, a revitalization tax credit district, as defined under the Prince George's County Code, and/or an enterprise zone. The designated areas may

contain up to 2,500 single-family dwellings in the aggregate. The property tax credit equals 40 percent of the county property tax due for each of the first five years after purchase and declines by 5 percent annually until the tenth year. After the tenth year, the credit expires.

House Bill 1009 also provides for a matching State income tax credit equal to the property tax credit granted.

New or Expanded Businesses: Senate Bill 86/House Bill 144 (both passed) alter the requirements of the tax credits for businesses that create new jobs in counties with populations of less than 30,000. In these counties, under **Senate Bill 86/ House Bill 144** the minimum job creation requirement to be eligible for the credits is reduced from 25 to 10.

Rehabilitated Property: Senate Bill 507/House Bill 830 (both passed) authorize a county or municipal corporation to establish a property tax credit for real property that has been rehabilitated under regulations adopted by the local government. The amount and duration of the credit may be established by the local government but may not exceed the amount of the increase in property tax attributable to an increase in the assessment from before the rehabilitation and also cannot exceed ten years.

Dental Equipment in Underserved Areas: Senate Bill 874/House Bill 1169 (both passed) authorize a county or municipal corporation to grant a property tax credit against the county or municipal property tax on personal property used in practicing dentistry in a geographic area designated by the Secretary of the Department of Health and Mental Hygiene as being underserved by dentists.

Community Associations: House Bill 671 (passed) authorizes a county or municipal corporation to grant a property tax credit against the county or municipal property taxes imposed on personal property of community associations valued at \$8,000 or less. The association must have been in existence at the beginning of the taxable year and be in good standing if incorporated in Maryland.

Local Property Taxes

Baltimore City

Newly Constructed and First Purchase Dwellings: House Bill 536 (passed) extends the June 30, 2000, termination date of the Baltimore City property tax credit program for newly constructed and first purchased dwellings until June 30, 2002. Baltimore City may grant a property tax credit against city property tax imposed on newly constructed dwellings or first purchased dwellings owned by qualified owners. The credit is 50 percent for the first taxable year and decreases 10 percent each year until it expires after the fifth year.

Tax Sales - Abandoned Property: Under current law applicable to Baltimore City, property for which taxes are in arrears may be sold at a tax sale for an amount that is less than the taxes owed, but a minimum bid is not required to be established.

Senate Bill 719/House Bill 743 (both passed) provide that abandoned property that is either a vacant lot or improved property that is unfit for habitation may be sold at a tax sale for less than the total amount of the taxes due, with the tax collector required to set a minimum bid for the property. If the property is sold for less than the amount of the taxes owed, the purchaser is required to pay the full amount of the bid and the expenses incurred from the sale. This payment must be made by the day after the sale. Any balance that remains after a sale is no longer a lien on the property when: (1) a judgment is entered foreclosing the owner's right of redemption; (2) the deed is recorded; and (3) all liens accruing subsequent to the tax sale are paid in full. Under the bills, certificate of sale is void and reverts back to the city unless foreclosure proceedings are brought by the purchaser within three months from the date of the certificate, with certain exceptions.

Release of Liens for Unpaid Real Property Taxes: Senate Bill 535/ House Bill 744 (both passed) clarify the circumstances under which Baltimore City may release a lien for unpaid city real property taxes on certain vacant property. The bills provide that if property with unpaid property taxes is donated to a nonprofit organization, the transferor must pay to the city an amount equal to any income tax benefit received from a deduction for a charitable contribution. If the transferor pays this amount to the city, the transferor's property tax debt is reduced by an amount

equal to the fair market value of the property.

Caroline County

Senate Bill 628/House Bill 618 (both passed) authorize Caroline County to grant a property tax credit on real property owned by Caroline County Habitat for Humanity, Inc. that is used exclusively for the purpose of rehabilitation and transfer to a private owner.

Cecil County

Currently, municipal corporations in Cecil County are authorized to charge an interest rate for overdue property taxes not to exceed 2/3 percent per month. Cecil County is authorized to charge an interest rate not to exceed 1 percent per month.

Senate Bill 640 (passed) authorizes municipal corporations in Cecil County to set by law the interest rate for overdue property taxes not to exceed 1 percent per month. This change will allow Cecil County to bill property taxes on behalf of all its municipalities. *Senate Bill 640* also requires Cecil County at the request of a municipal corporation to collect reasonable fees and charges imposed by the municipal corporation.

Charles County

House Bill 567 (passed) authorizes Charles County to grant a county property tax credit to new businesses locating in the county for machinery and equipment used in manufacturing products for sale or for new facilities in the generation of electricity. The county and municipal corporations may also grant a local property tax credit on any property owned by a new or expanding business that creates ten or more full-time jobs in an industry targeted by the Charles County Economic Development Commission. The tax credit may not be granted for more than ten years.

Dorchester County

Under current law, Dorchester County may grant a property tax credit for agricultural land that is subject to or developing a nutrient management plan, or forest land that is subject to a forest management plan or similar agreement.

Senate Bill 837/House Bill 1367 (both passed) expand this authorization to allow Dorchester County to grant a county property tax credit on agricultural land that is located in an agricultural preservation district or that is subject to an agricultural land preservation easement or similar easement.

Garrett County

House Bill 808 (passed) authorizes Garrett County to grant a property tax credit against county property taxes for agricultural land located in an agricultural land preservation district. Under the bill, if the property owner subsequently withdraws the property from the preservation district, the county is authorized to recoup from the owner all taxes that would have been paid without the credit and interest at a rate set by the county.

Prince George's County

Senate Bill 98 (passed) authorizes Prince George's County to grant a property tax credit against the county property tax or special district tax for property that is owned by the Lake Arbor Foundation, Inc.

Somerset County

House Bill 315 (passed) allows Somerset County to grant a property tax credit against county property tax on real property owned by the Crisfield Heritage Foundation, Inc. The bill also repeals existing authority relating to property tax credits for the Crisfield Chamber of Commerce, which does not own real property in Somerset County, and the J.

Millard Tawes Foundation, which changed its name on October 7, 1999, to the Crisfield Heritage Foundation, Inc.

Talbot County

Senate Bill 474 /House Bill 346 (passed) authorize Talbot County or a municipal corporation in Talbot County to grant a property tax credit against the local corporation property tax on personal property. The county or municipal corporation may, by law, set the amount, terms, scope, and duration of the credit, as well as designate subclasses of personal property to which a credit applies.

Washington County

House Bill 1075 (passed) authorizes the governing body of Washington County or a municipal corporation in Washington County to grant a property tax credit for property owned by the Rohrerstown Cornet Band of Washington County.

Wicomico County

House Bill 485 (passed) authorizes Wicomico County or a municipal corporation in Wicomico County to grant a property tax credit for property owned by the Salisbury Area Chamber of Commerce, Inc.

Worcester County

House Bill 196 (passed) authorizes Worcester County or a municipal corporation in Worcester County to grant a property tax credit for property owned by the Pocomoke City Chamber of Commerce. *House Bill 197 (passed)* authorizes Worcester County to grant a property tax credit for property owned by the Ocean City Chamber of Commerce.

Income Tax

Income Tax Acceleration

Calendar 2000 is the third year of a five-year phased-in income tax reduction enacted by the General Assembly in 1997 and accelerated by legislation enacted in 1998. Under the current law, the top marginal income tax rate, formerly 5 percent, has been reduced to 4.85 percent for tax year 2000, and will drop to 4.8 percent for tax year 2001 and to 4.75 percent for tax years after 2001. The amount allowed to be deducted for personal exemptions, formerly \$1,200, has been increased to \$1,850 for tax year 2000 and will increase to \$2,100 for tax year 2001 and to \$2,400 for tax years after 2001.

Although further acceleration of the income tax reduction was the subject of considerable discussion prior to the session in light of the sizable budget surplus projected, income tax reduction did not become a major theme of the 2000 session. However, several bills were introduced that would have further accelerated the income tax reduction.

Senate Bill 227/House Bill 12 (both failed) would have accelerated the income tax reduction by one year, at an estimated cost to State general fund revenues of \$144.8 million in fiscal 2001 and \$51.9 million in fiscal 2002. *Senate Bill 228 (failed)* would have accelerated the income tax cut by two years, at an estimated cost of \$247.2 million in fiscal 2001 and \$51.9 million in fiscal 2002.

Maryland Research and Development Tax Credit

Senate Bill 309/House Bill 14 (both passed) establish a research and development (R&D) income tax credit for Maryland that is modeled somewhat after the

federal research and development tax credit program. The new tax credit has two parts: (1) a nonincremental credit based on a taxpayer's R&D expenses up to the "base" amount of Maryland R&D expenses; and (2) a credit based on "incremental" spending, or spending above the base amount. The nonincremental credit is 3 percent of qualifying R&D

expenditures while the incremental income tax credit is 10 percent of qualifying expenditures. The maximum allowed for each of the credits for all taxpayers is \$3 million annually, for a total of \$6 million. The bills establish a process for applying for the credits and a methodology for proportionally reducing credits if the application amounts exceed the annual cap. A 15-year carryforward of any unused credit amount is allowed. The bills require the Department of Business and Economic Development (DBED) and the Comptroller to jointly conduct an evaluation and report to the General Assembly by December 15, 2005, on the program's success in increasing the level of investment in research and development activities and attracting and retaining R&D businesses in Maryland. Under the bills, the credits are generally applicable to tax year 2000 through 2004.

Beginning in fiscal 2002, the Maryland R&D tax credits will be expected to reduce State revenues by no more than \$6 million per year due to the statutory cap during the five-year period the credit is in effect. The breakdown of the loss for general and special fund revenues will depend on the number of corporate income tax credits taken, which affects funding for the Transportation Trust Fund. Local revenues would also decrease, again depending on the number of corporate tax credits and the loss to the Transportation Trust Fund.

Refundable Earned Income Credit

Since 1987, Maryland's income tax law has provided an earned income credit (EIC) against the State income tax equal to 50 percent of the federal earned income credit. For federal income tax purposes, the earned income credit, which provides tax relief to low income wage earners, is "refundable" - if the amount of the federal credit exceeds an individual's income tax liability, the individual may receive a refund. Since its enactment in 1987 until 1998, the State EIC had been nonrefundable. In 1998, the General Assembly enacted legislation to include a refundable component in the Maryland EIC for qualifying individuals with dependents (Chapter 5 of the Acts of 1998).

Under the refundable EIC, the State provides a refund to individuals whose credit is greater than the individual's State income tax liability. For tax years 1998 and 1999, the State's refundable EIC was based on 10 percent of the federal credit. Under current law, the refundable credit was scheduled to increase to 12.5 percent of the federal credit in tax year 2000 and to 15 percent of the federal credit beginning in tax year 2001.

Senate Bill 240 (passed) accelerates by one year the full phase in of the 15 percent refundable earned income tax credit. Although the nonrefundable EIC is applicable to county, as well as State income taxes, the 1997 legislation establishing the refundable EIC made it applicable only to the State income tax. The bill also authorizes the counties and Baltimore City to make the county EIC refundable. The bill specifies that this authorization is not intended to affect a local jurisdiction's authority to establish a program similar to Montgomery County's Working Families Income Supplement Program, which was implemented in 1999 and is the equivalent of a county refundable EIC.

As a result of this acceleration, general funds will decrease by an estimated \$13 million in fiscal 2001. This is a one-time revenue loss because the full 15 percent will begin in tax year 2001 regardless.

Maryland College Investment Plan

Senate Bill 140/House Bill 11 (both passed) establish the Maryland College Investment Plan as part of the Maryland Higher Education Investment Program. The bills provide State income tax benefits for those participating in the new program similar to the tax benefits already available to those participating in the Maryland Prepaid College Trust. The bills allow taxpayers a subtraction modification of up to \$2,500 for amounts contributed to an investment account under the Maryland College Investment Plan. Contributions in excess of \$2,500 for any taxable year may be carried forward and used as a subtraction for up to 10 succeeding tax years. A subtraction modification is also allowed under the bills for distributions to a qualified designated beneficiary under an investment account, to the extent the distributions are included in federal adjusted gross income. The bills also require that any refunds from an investment account or distributions that are not used for qualified higher education expenses of the qualified designated beneficiary must be added back to determine Maryland taxable income.

For a complete discussion of **Senate Bill 140/House Bill 11** see the subpart Higher Education of Part L-Education within this *90 Day Report*.

Disparity Grants

Until tax year 1999, local taxes were calculated as a percentage of the State income tax. In order to hold the counties harmless from the State income tax reduction enacted in 1997, taxpayers had to calculate State taxes twice, resulting in a form that was overly complicated. In an effort to simplify the calculation of the county income tax, Chapter 493 of the Acts of 1999 changed the tax calculation so that the local income tax was calculated based on Maryland taxable income rather than the State income tax, resulting in new local income tax rates to be applied to Maryland taxable income.

Senate Bill 551/House Bill 945 (both passed) correct the calculation of the county income disparity grant to reflect the current method of calculating local income taxes which took effect in tax year 1999.

Credit for Child and Dependent Care Expenses

In 1999, the General Assembly enacted Chapter 584, establishing a State income tax credit for child and dependent care expenses modeled after the federal child and dependent care credit. As enacted under Chapter 584 of the Acts of 1999, the credit allowed is up to 25 percent of the federal credit claimed by the individual for that taxable year, but not more than the taxpayer's State income tax for the taxable year. The credit is available to qualified individuals whose federal adjusted gross income is at or below \$40,000 or \$20,000 if married filing separately; the full credit is available to those with federal adjusted gross income of \$30,000 or less (\$15,000 or less if married filing separately), and it phases out for incomes between \$30,000 and \$40,000 (\$15,000 and \$20,000 if married filing separate returns). *Senate Bill 335 (passed)* increases the State income tax credit for child and dependent care expenses from 25 percent to 32.5 percent of the federal child and dependent care credit and increases from \$40,000 to \$50,000 the maximum income eligibility for the credit (from \$20,000 to \$25,000 for a married individual filing a separate return). As a result, general fund revenues will decrease by an estimated \$6 million annually.

Taxation of Retirement Income

For several years, various proposals have been introduced to expand the existing "pension exclusion" under the Maryland income tax. *Senate Bill 401 (passed)* defines "employee retirement system" to clarify the types of retirement income that can be included for purposes of calculating the existing pension exclusion. Under the bill, an "employee retirement system" for purposes of the pension exclusion is a plan that is established and maintained by an employer for the benefit of its employees and is qualified under § 401(a) or 457(b) of the Internal Revenue Code. However, "employee retirement system" does not include an I.R.A., a Roth I.R.A., a rollover I.R.A., a simplified employee pension under § 408(k) of the Internal Revenue Code, or an ineligible deferral compensation plan under § 457(f) of the Internal Revenue Code.

Several bills were again introduced during the 2000 session to expand the exclusion. *Senate Bill 285, House Bill 465, House Bill 475, House Bill 629* and *House Bill 630 (all failed)* would have expanded the types of income that could be excluded from retirement income by taxpayers when calculating their Maryland income tax.

Long-Term Care Insurance

Senate Bill 171 (passed) creates a credit against the individual income tax for 100 percent of the premiums paid for long-term care insurance by an individual for coverage of the individual or the individual's spouse, parent, stepparent, child, or stepchild. The credit may not exceed \$500 for each insured for whom an individual pays the premiums and may not be claimed with respect to an insured individual if the insured individual was covered by long-term care insurance at any time before July 1, 2000, or if the credit has been claimed with respect to that insured individual by any taxpayer for any prior taxable year. This credit does not affect the tax treatment of any deduction allowed under federal law for long-term care premiums.

The bill also requires the Comptroller, beginning on December 1, 2005, and each year thereafter, to report to the Governor and the General Assembly on the credit. The report must include: (1) the number of individuals who have claimed the credit, the amount allowed as credits, and the additional number of individuals covered by long-term care

insurance as a result of the credit; and (2) the savings under the State's medical assistance program as a result of additional individuals being covered by long-term care insurance as a result of the credit.

It is estimated that general funds would decline by approximately \$3 million annually beginning in fiscal 2001 as a result of the tax credit under *Senate Bill 171*.

Adoption Expenses

Senate Bill 316 (passed) increases the maximum amount allowed as a subtraction modification under the income tax for reasonable and necessary adoption fees, court costs, attorney fees, and other expenses incurred by adoptive parents from \$3,000 to \$6,000 for a child determined to be a child with a special need and from \$2,000 to \$5,000 for a child without a special need. In order to claim the increased subtraction modification, the child must be a Maryland resident and the adoption must be made through a private, not for profit, licensed adoption agency or a public child welfare agency.

Under the bill, adoptive parents who adopt children who are not Maryland residents at the time of adoption may claim the current subtraction modification of \$3,000 for a child determined to be a child with a special need and \$2,000 for a child without a special need.

Other Income Tax Bills

Senate Bill 670/House Bill 20 (both passed) provide for a variety of tax incentives in order to encourage the use of clean energy technologies, including an income tax credit for the production of electricity through the use of organic materials in addition to coal. See the discussion of *Senate Bill 670/House Bill 20* under the subpart "Miscellaneous Taxes" within this part of *The 90 Day Report*.

House Bill 1103 (passed) allows an income tax subtraction modification for 100 percent of the expenses incurred by a taxpayer to purchase and install handrails in existing elevators in health care facilities or any other building in which at least 50 percent of the space is used for medical purposes.

House Bill 1303 (passed) reduces, over a period of four years, the duration of service required in Maryland volunteer fire, rescue, or emergency medical service organizations from 72 months to 36 months in order for an individual to be eligible for the subtraction modification under the Maryland income tax.

State income tax credits are provided in connection with *Senate Bill 86/House Bill 144 (both passed)* which alter the requirements of the tax credits for businesses that create new jobs. See the discussion of these bills under the subpart "Property Taxes" within this part of *The 90 Day Report*.

State income tax credits are provided in connection with *Senate Bill 348 (passed)*, *House Bill 918 (passed)*, and *House Bill 1009 (passed)* which expand the Neighborhood Preservation and Stabilization demonstration project. See the discussion of these bills under the subpart Property Taxes within this part of *The 90 Day Report*.

Sales Tax

Tax-Free Week

Several bills were introduced in the 2000 session to temporarily eliminate the sales and use tax on clothing. *Senate Bill 103/House Bill 170 (both passed)* exempt from the sales and use tax the sale of clothing or footwear (excluding accessories) during the week of August 10 through August 16, 2001, if the taxable price of the item is less than \$100. Other states, including Texas, New York, and Florida, have implemented tax-free weeks. Typically, these tax-free weeks have been provided immediately prior to the school year, to provide a benefit to families shopping for back-to-school clothes. Sales of clothing and footwear eligible for the exemption during the August 2001 tax-free week will result in an estimated general fund revenue loss of \$6.7 million in fiscal 2002.

Dedicated Revenue to Mass Transit Account

In order to create a dedicated source of mass transit funding in addition to current funding from the Transportation Trust Fund (TTF), 20 percent of sales and use tax revenue would have been dedicated to a newly-created Mass Transit Account of the TTF under *Senate Bill 286 /House Bill 1 (both failed)*. The revenue dedication would have been phased in, so that in fiscal 2001, 2 percent of the sales and use tax revenue would have been dedicated to the Mass Transit Account. This would increase 2 percent each year until fully phased in (20 percent) in fiscal 2010. For a more detailed discussion of these bills, see the subpart Transportation, Part G - Transportation and Motor Vehicles of this *90 Day Report*.

Tobacco Cessation Products

The Comptroller's Office has deemed that nicotine patches, nicotine gum, and other products intended for use as an aid in tobacco use cessation and approved by the United States Food and Drug Administration for that purpose are medicines and exempt from the sales and use tax. Despite the Comptroller's determination, some retailers have continued to charge the sales tax on tobacco cessation products. *Senate Bill 137/House Bill 128 (both passed)* clarify the exemption for sales and use tax purposes.

Remote Transactions

The State imposes a sales and use tax on the sale of most tangible personal property purchased outside the State, including items purchased through the Internet or an out-of-state mail order catalog. However, under the U.S. Supreme Court decisions in *National Bellas Hess* and *Quill*, a state or local government cannot constitutionally require businesses without a physical presence within its borders to collect sales or use taxes. Remote sellers (those businesses selling goods via the Internet (e-commerce), phone, and mail order catalogs) are therefore often protected from sales and use tax collection obligations. If the seller is not required to collect and remit the sales tax, then the buyer is legally required to pay the use tax. However, few if any, individual customers pay the applicable use tax. The Comptroller's Office advises that it collects less than \$100,000 per year in use taxes from individual taxpayers, and that use tax compliance is greater among businesses, where the likelihood of audit is greater.

These issues have existed for several years within the context of sales and use taxes on phone and mail order sales. Recently, the exponential growth of the Internet and e-commerce has magnified the significance of this phenomenon. Recognizing that the world of e-commerce presents even more complications, Congress passed the Internet Tax Freedom Act (ITFA) in 1998 with the objective of developing a new tax system that satisfies both government revenue needs and business' desire for a simple, fair tax structure that does not stifle the Internet's growth. The Act's provisions include a three-year moratorium on imposing new taxes on Internet services, grandfathering all state taxes that were in effect prior to October 1, 1998, and creating a 19-member Advisory Commission on Electronic Commerce to study the issue and to make recommendations to Congress.

ITFA, however, does not supersede state laws that were in place prior to its implementation. Maryland's sales and use tax on sales of tangible goods is therefore not affected by ITFA, so purchases by Marylanders via the Internet are subject to the sales and use tax, even though collections, as noted above, are low.

Given the growth in e-commerce, the State is anticipated to lose significant sales and use tax revenues in the future if the status quo is maintained. This revenue loss is driven primarily by the migration of both individual and business customers from local purchasing, for which taxes are collected, to Internet purchasing, for which taxes are seldom collected. The Bureau of Revenue Estimates (BRE) of the Comptroller's Office estimates that the State will lose approximately \$150 million annually in sales and use tax revenues by calendar 2003 and even greater amounts in the future.

To address the issue of e-commerce and potential multi-state solutions to the remote taxation issue, *House Bill 1421 (passed)* requires the Comptroller to enter into discussions with other states regarding the development of a multistate, voluntary, streamlined system for sales and use tax collection and administration. These discussions must focus on a system that: (1) will have the capability to determine whether a transaction is taxable or tax exempt, the appropriate

tax rate applied to the transaction, and the total tax due on the transaction; and (2) will provide a method for collecting and remitting sales and use taxes to the State. The system may provide compensation for the costs of collecting and remitting sales and use taxes.

The bill allows the Comptroller to participate in a sales and use tax pilot project with other states and selected businesses to test means for simplifying sales and use tax administration and may enter into joint agreements for that purpose. Agreements to participate in the pilot program must establish provisions for the administration, imposition, and collection of sales and use taxes resulting in revenues paid that are the same as would be paid under State sales and use tax law. Parties to the agreements are excused from complying with the provisions of State sales and use tax law to the extent a different procedure is required by the agreements, except for confidentiality of taxpayer information. Any agreements authorized must terminate by December 31, 2001.

Under *House Bill 1421*, the Comptroller is to provide periodic reports to the Governor and the General Assembly on the progress of multistate discussions. By March 1, 2001, the Comptroller must report to the Governor, Legislative Policy Committee, and fiscal committees on the status of multistate discussions and, if a proposed system has been agreed upon by participating states, must also recommend whether the State should participate in the system.

Telecommunications Equipment

Several bills affecting State sales taxation of telecommunications equipment were introduced in the 2000 session.

Exemption for Digital Telecommunications Machinery and Equipment

The federal Telecommunications Act of 1996 adopted rules for the implementation of Digital Television (DTV) in the United States. All existing television stations are required to broadcast digital signals by a specified time. Four Baltimore television broadcasting stations are required to provide some on-air digital television by November 1, 1999. Of the remaining stations, six commercial stations are required to broadcast digital signals by May 2002, and the six Maryland Public Television (MPT) stations are required to simulcast digital television by May 2003. *Senate Bill 701/House Bill 794 (both passed)* exempt from the sales and use tax digital telecommunications machinery or equipment that enables a television or radio station to originate and broadcast, or receive and broadcast, digital signals and that has been purchased to comply with the federal Act. The exemption applies to all sales from January 1, 2000, to January 1, 2008.

Industry sources estimate that the ten commercial television stations in Maryland are projected to spend \$52 million over a six-year period on equipment and machinery in order to broadcast and receive digital signals, with the cost declining from \$16 million in calendar 1999 to \$4 million in calendar 2004. Each station expects to spend between \$2 million and \$8 million for new equipment purchases. Some of these expenditures took place prior to January 1, 2000, and are not subject to the exemption. If the industry's estimates reflect actual expenditures, the State will experience a reduction in sales and use tax revenues of \$1.7 million over six fiscal years beginning in fiscal 2000.

Telecommunications Equipment

Senate Bill 161/House Bill 132 (both failed) would have exempted from the sales and use tax the sale to, or use by, telecommunications providers of any machinery or equipment, including computer software, if the equipment or machinery is related to the conduct of: (1) a telecommunications business; or (2) a business that offers or provides the use of the computer and telecommunications facilities, including equipment and operating software, that comprise the interconnected worldwide network of networks that employ the transmission control protocol/Internet protocol, or any predecessor or successor protocols to that protocol.

Film Production Activity

Tangible personal property or a taxable service that is used directly in connection with a "film production activity" becomes exempt from the sales and use tax under *Senate Bill 192/House Bill 926 (both passed)*. The film producer or production company must apply to the Department of Business and Economic Development (DBED) for certification of eligibility for the exemption. The bill defines "film production activity" as the production or postproduction of film

or video projects including feature films, television projects, commercials, corporate films, infomercials, music videos, or other projects for which the producer or production company will be compensated, and which are intended for nationwide distribution. Tangible personal property or a taxable service includes: (1) camera equipment and supplies; (2) film and tape; (3) lighting and stage equipment and supplies; (4) sound equipment and supplies; (5) recording equipment and supplies; (6) costumes and related material; (7) props and scenery and related material; (8) design supplies and equipment; (9) drafting supplies; (10) special effects supplies; (11) short-term vehicle rentals; and (12) fabrication, printing, or production of scripts, storyboards, costumes, wardrobes, props, scenery, or special effects.

Due to the sales tax exemption, general fund revenues could decrease by \$708,800 in fiscal 2001. Future revenue losses will vary based upon the level of film production activity in the State. To the extent that additional films and video are produced in Maryland that would otherwise have been made out-of-state, these revenue losses could be offset somewhat by additional tax revenues generated from spending by the film crews.

Bottled Water

Bottled water for human consumption sold in containers of one gallon or more is exempt from the sales tax under *Senate Bill 408 (passed)*. It is estimated that 50 million gallons of water are sold annually in Maryland in containers of one gallon or more. The price for water in these containers is estimated to range from 75 cents to \$1, resulting in an estimated revenue loss of \$2.2 million in fiscal 2002, with future years reflecting a 3 percent growth in sales each year.

Bulk Vending Machines

Merchandise sold through a "bulk vending machine" is exempt from the sales and use tax if the taxable price of the merchandise is 25 cents or less under *Senate Bill 302/ House Bill 394 (both passed)*. A "bulk vending machine" is a vending machine that: (1) contains unsorted merchandise; and (2) dispenses the merchandise in approximately equal amounts at random without selection by the customer. General fund revenues are estimated to decrease by \$200,225 in fiscal 2001, with this reduction increasing by 5 percent annually in future years.

Sales Tax Resale Certificates for Out-of-State Vendors

Under current law, sellers must generally collect the State sales and use tax at the point of sale unless: (1) the transaction is for \$200 or more; and (2) the buyer presents a resale certificate with the buyer's name, address, and Maryland sales and use tax registration number. If an out-of-state vendor does not have a Maryland registration number, the tax must be paid at the point of sale, and a refund can be claimed by the purchaser. Many out-of-state vendors, particularly in the antiques and collectibles field, have complained that the existing requirements are burdensome and discourage them from purchasing items in Maryland for resale in their home state.

To ease the administrative burden for sellers and buyers when the buyer is an out-of-state vendor, *House Bill 260 (passed)* waives a seller's obligation to collect the sales and use tax on the sale of an antique or used collectible if the seller receives a resale certificate from a buyer with an out-of-state sales and use tax registration number and specified conditions are met. The bill provides that resale certificates for the sale of an antique or used collectible need not have a Maryland registration certificate number. Rather, the certificate could have a sales and use tax registration number from another state, if the certificate states that the buyer is an out-of-state vendor who does not regularly do business in the State. If the buyer provides an out-of-state registration number, the buyer must also provide a copy of a sales and use tax registration license issued to the buyer from that state. If the buyer is from a state without a sales and use tax, the buyer must provide a copy of a trader's license from that state or a comparable type of identification.

Prisoner of War Flags

Prisoner of war (POW) or missing in action (MIA) flags are exempt from the sales and use tax under *Senate Bill 774/House Bill 663 (both passed)*.

Commercial Vessels

Fuel and repair parts for commercial fishing vessels are exempt from the State's 5 percent sales and use tax, but fuel and parts for other commercial vessels are not exempt under existing law. *House Bill 981 (passed)* exempts from the sales and use tax fuel or a repair part for vessels used for commercial purposes.

Miscellaneous Taxes

Inheritance Tax

Maryland's Existing Death Tax Structure

Maryland imposes two death taxes. The inheritance tax is applied to the receipt of property from a decedent's estate. For decedents dying on or after July 1, 1999, direct beneficiaries are taxed at the rate of 0.9 percent (reduced from 1 percent under Chapter 635 of 1999). Direct beneficiaries include grandparents, parents, spouses, children, other lineal descendants, stepparents, and stepchildren, or a corporation if all stockholders are direct beneficiaries. Spouses receive an exemption for all real property, all jointly held property passing by right of survivorship, and the first \$100,000 of other property. Collateral beneficiaries include all other beneficiaries. Collateral beneficiaries other than siblings of the decedent are taxed at the rate of 10 percent. Under Chapter 635 of 1999, for decedents dying between July 1, 1999, and June 30, 2000, siblings are taxed at the rate of 8 percent, with the rate phasing down to 5 percent for decedents dying on or after July 1, 2001.

Maryland's other death tax, the pick-up estate tax, applies only if a federal estate tax return is required for the estate of a decedent. Any estate subject to both the estate tax and the inheritance tax may receive a credit against the estate tax for any inheritance tax paid. Inheritance tax reductions would therefore be offset by an increase in the estate tax paid for estates valued greater than \$675,000 in tax years 2000 and 2001. The size of the estate subject to the estate tax increases each year until 2006 when only estates with a gross value of greater than \$1 million are subject to the estate tax.

National Trends in State Death Taxes

The trend among states over the past 20 years has been to repeal inheritance and other death taxes in favor of pick-up estate taxes only. All 50 states and the District of Columbia now impose a pick-up estate tax. In 1979, 33 states imposed inheritance taxes and a few others imposed estate taxes that were higher than the allowed federal death tax credit. As of 1999, only 13 states continue to impose an inheritance tax and three states impose an estate tax in addition to the pick-up estate tax. Of the 13 states currently imposing inheritance taxes, several exempt all transfers to spouses. In addition, five

states exempt entirely transfers to lineal descendants from the tax and two others allow substantial exemptions for transfers to lineal descendants.

Of the states surrounding Maryland, only New Jersey and Pennsylvania continue to impose an inheritance tax. In New Jersey, transfers to spouses and lineal descendants are entirely exempt from the inheritance tax.

Elimination of Inheritance Tax for Direct Beneficiaries and Siblings

Various proposals were introduced during the 2000 session relating to the inheritance tax, ranging from the total repeal of the tax to the reduction of the tax rate for various classes of beneficiaries. Originally, each house passed different inheritance tax bills, with the House of Delegates favoring full repeal of the tax and the Senate favoring the repeal of the tax as to direct beneficiaries only. Ultimately, a compromise was reached and both houses passed *Senate Bill 1/House Bill 13 (passed)*. As passed by both houses, these bills exempt from the inheritance tax property that passes from a decedent to or for the use of direct beneficiaries or siblings of a decedent or to or for the use of a corporation owned by direct beneficiaries or siblings of a decedent. The bill is effective July 1, 2000, and is applicable to decedents dying on or after that date.

Fiscal Impact

Repealing the tax for direct beneficiaries and siblings will reduce general fund revenues by an estimated \$10.9 million in fiscal 2001 and \$23.6 million in fiscal 2002, which reflects a full-year reduction.

Exemption for Small Estates

Estates that qualify for administration as a small estate are exempt from the inheritance tax. **House Bill 322 (passed)** increases from \$20,000 to \$30,000 the maximum value for an estate to qualify for administration as a small estate. For a further discussion of this bill, see the subpart Estates and Trusts under Part F - Courts and Civil Proceedings of this *90 Day Report*.

Maryland Clean Energy Incentive Act

Senate Bill 670/House Bill 20 (both passed) provide an incentive to purchase energy efficient products through the use of four tax incentives.

First, the bills exempt from the sales and use tax: (1) clothes washers, room air conditioners, and refrigerators that meet or exceed applicable Energy Star efficiency guidelines; and (2) fuel cells and energy efficient heating and cooling equipment that meet specified energy efficiency requirements. Second, the bills allow a credit against the motor vehicle excise tax for qualified electric vehicles and qualified hybrid vehicles that draw propulsion from both gasoline or diesel fuel and an on-board rechargeable energy storage system. Third, a credit against the State income tax also is authorized for the costs of specified equipment that uses solar energy to generate electricity or provides hot water for use within a structure. Finally, the bills provide for a production credit against the State income tax to an individual or corporation that produces and sells electricity that is generated from specified qualified energy resources, including wind, biomass, poultry waste, and methane gas.

The tax incentives under **Senate Bill 670/House Bill 20** have varying dates of applicability. The sales and use tax and motor vehicle excise tax incentives are generally applicable to products purchased before July 1, 2004, while the income tax provisions are generally applicable to property placed in service before January 1, 2005. The tax incentives under these bill will be expected to cost the State about \$1 million to \$2 million annually, depending on the number of taxpayers who take advantage of the credits.

Tax Credit for Employer-Provided Commuting Benefits

Supplementing federal and county-level subsidy programs for commuting expenses, Chapters 559 and 560, Acts of 1999 created a tax credit for employers that provide commuting benefits to their employees. The credit is equal to 50 percent of the cost of specified commuting expenses provided by the employer, subject to a maximum credit of \$30 per employee per month. **Senate Bill 244/House Bill 310 (both passed)** extend these credits to cover the expenses of a "cash in lieu of parking program" or a "guaranteed ride home." The bills also allow specified tax-exempt organizations to apply tax credits allowed for employer-provided commuter benefits as a credit against the payment of employee withholding taxes required to be withheld from the wages of employees and paid to the Comptroller.

Franchise Taxes

Senate Bill 56 (passed) repeals the financial institution franchise tax and replaces it with the corporate income tax, effective January 1, 2001. This change occurred for banks and trust companies three years ago. The bill also repeals the savings and loan association franchise tax and makes the personal property of savings and loan associations, other than certain computer hardware and software, subject to the property tax. After the tax provisions in the bill take effect, all financial institutions will be taxed the same, except that certain financial institutions, such as mortgage, credit, and loan companies, will remain entirely exempt from taxes on personal property.

Although these changes are essentially revenue neutral to financial institutions, they result in general fund revenue losses to the State and revenue gains to the Transportation Trust Fund (TTF) and local governments. Unlike the financial institution franchise tax, a portion of corporate income tax revenues are distributed to the TTF, of which a portion is shared with local jurisdictions. Due to this shift in revenues and the repeal of the savings and loan

association franchise tax, general fund revenues will decline by an estimated \$534,000 in fiscal 2001 and \$3.4 million in fiscal 2002. TTF revenues available to the State will increase by an estimated \$374,000 in fiscal 2001 and \$1.5 million in fiscal 2002. Local government revenues will increase by an estimated \$1.4 million in fiscal 2002, reflecting local distributions from the TTF and the partial repeal of the personal property tax exemption for savings and loan associations.

Maryland-Mined Coal Credit

Under current law, public service companies may claim a credit against the public service company franchise tax in the amount of \$3 for each ton of Maryland-mined coal purchased in the calendar year in excess of the number of tons of Maryland-mined coal purchased in 1986. This provision of law terminates June 30, 2001.

In addition, cogenerators, not subject to the public service company franchise tax, may claim a credit against the State income tax in the amount of \$3 for each ton of Maryland-mined coal purchased in the calendar year in excess of the number of tons of Maryland-mined coal purchased in 1986. *House Bill 729 (passed)* modifies these credits by eliminating the 1986 base year limitation. The bill also extends availability of the credit against the income tax to specified electricity suppliers and repeals the June 30, 2001, termination date applicable to the public service company franchise tax credit.

Current general fund revenue losses of approximately \$6 million are expected to continue beyond fiscal 2001 as a result of the repeal of the termination. In addition there is potentially an additional State revenue decrease (part general funds and part Transportation Trust Fund revenue) of up to \$6 million annually beginning in fiscal 2002.

Work, Not Welfare, and Qualifying Employees with Disabilities Tax Credits

House Bill 1015 (passed) makes various changes to the Work, Not Welfare, and Qualifying Employees with Disabilities tax credits in an effort to match the requirements of the State credits to similar credits offered at the federal level. The bill: (1) provides that a person who was a recipient of temporary cash assistance for three of the last 18 months is a qualified employment opportunity employee for purposes of the Work, Not Welfare, tax credit; (2) provides that the Department of Labor, Licensing, and Regulation is the agency responsible for administering the credit for hiring qualified employees with disabilities; (3) includes disabled veterans within the definition of a qualified employee for purposes of the credit; (4) increases the credit for hiring a disabled person from 20 to 30 percent of a certain amount of wages; and (5) extends the applicability of both credits through tax year 2005 for employees hired before July 1, 2003.

Steam Heating and Hot and Chilled Water Companies

Senate Bill 414 (passed) allows companies that generate steam for sale or hot or chilled water for sale to heat or cool a building to be treated the same for property tax purposes as electric utilities. This means they will be entitled to a corporate income tax credit for 60 percent of the taxes paid on operating real property used for generating steam or hot or chilled water and a 50 percent exemption on personal property used to generate steam or hot or chilled water.

Transportation Taxes

Senate Bill 230 (passed) exempts a vehicle transferred to a lessee who purchases a vehicle at the end of a lease term from the motor vehicle titling tax. This new provision applies to all vehicles transferred on or after July 1, 2001. The goal of the legislation is to avoid imposing the excise tax twice on consumers: first when the titling tax is built into the lease payment, and second when the consumer exercises the option to purchase the same car and pays the titling tax to register the title under the consumer's name. Transportation Trust Fund revenues are estimated to decline by \$2.8 million in fiscal 2002 as a result of the exemption.

Senate Bill 378 (passed) exempts from the motor vehicle excise tax and the Maryland safety inspection requirement a vehicle that is transferred into a written inter vivos trust in which the transferor is the primary beneficiary. The legislation also clarifies that a vehicle that is transferred as a result of a tax exempt statutory merger or consolidation

of a corporation and a limited liability company is exempt from the motor vehicle excise tax.

Senate Bill 59 (passed) repeals the \$7 fee that is required for a motor carrier to obtain a set of International Fuel Tax Agreement (IFTA) decals from the Comptroller. Maryland-based motor carriers that travel interstate are required to register under IFTA, which is an agreement among states to unify the reporting of motor fuel usage, for purposes of paying road use taxes to all IFTA jurisdictions. Repealing the fee is intended to provide an incentive for commercial vehicles to obtain IFTA credentials electronically, through the Commercial Vehicle Information Systems and Networks (CVISN), a project designed to reduce administrative burdens for motor carriers and State agencies.

Boat Excise Tax

Senate Bill 407/House Bill 338 (both passed) alters the definition of "fair market value" under the boat excise tax to eliminate the requirement that a licensed boat dealer must take title to a used vessel that is traded in as part of the consideration for the sale of a new vessel in order to qualify for an exclusion from the boat excise tax for the value of the trade-in. The bill also changes the definition of fair market value to apply the trade-in allowance to the sale of any vessel by a licensed out-of-state or foreign dealer.

Recordation and Transfer Taxes

Payment and Collection

House Bill 792 (passed) allows the county tax collectors, rather than the clerks of the courts, to collect recordation taxes beginning in fiscal 2001. In fiscal 2001 only, for any county, other than Prince George's County, if the clerk of the court does not collect recordation taxes, the county must remit to the Comptroller a fee equal to the fee that the clerk would otherwise deduct. Assuming all counties decide to collect the taxes themselves, general fund revenues will decrease by \$6.4 million in fiscal 2002 while county revenues will increase by a corresponding amount. Because this is enabling legislation only, local government expenditures associated with collecting recordation taxes will increase only to the extent they exercise the authority to collect the tax.

Transfers to Limited Liability Company (LLC)

Under current law, an exemption from recordation and transfer taxes for transfers of real property from a predecessor entity to an LLC is provided if: (1) the members of the LLC are identical to the partners of the converting entity; (2) each member's allocation of the profits and losses of the LLC are identical to that member's allocation of the converting entity; and (3) the instrument of writing that transfers title to real property represents the dissolution of the predecessor entity for purposes of conversion to an LLC. **House Bill 1338 (passed)** allows an instrument of writing transferring real property ownership when a foreign entity converts to an LLC to also be exempt from recordation and transfer taxes.

Filings with the State Department of Assessments and Taxation

Currently, security agreements that must be filed with the Department of Assessments and Taxation are subject to recordation taxes. Changes to Article 9 of the Uniform Commercial Code (which governs these transactions) that take effect in 2001 provide that in general, the applicable law in the case of a security agreement where the debtor is a corporation is the law of the state in which the corporation is chartered. Because Maryland taxes these security agreement transactions and many other states do not, an incentive could be created for Maryland businesses to establish or maintain corporate charters in other states. In order to address this concern, **House Bill 1246 (passed)** exempts security agreements filed with the Department of Assessments and Taxation from recordation taxes.

Miscellaneous Taxes - Local

Senate Bill 437/House Bill 1049 (both passed) authorize Cecil County, subject to referendum, to impose a development excise tax on new residential units. The tax may not exceed \$3,500 per residential unit. The bills require revenues from the tax to be placed in a special account known as the "Capital Facilities Improvement Fund." The

county must use these revenues to finance the capital costs of new or expanded public facilities or improvements. A hearing and notice of the hearing are required before the tax may be imposed or altered. Cecil County revenues could increase by \$2 million annually.

House Bill 1427 (passed) increases the hotel rental tax rate in Washington County to 6 percent. Of the revenues from the tax, 45 percent will be used to fund the Hagerstown/Washington County Convention and Visitor's Bureau (CVB). The remainder will be placed in a special fund to be used only to develop tourism attractions, enhance economic development, and support cultural and recreational projects in the county.

The bill provides that the hotel rental tax revenues may not be used to build a stadium unless the Maryland Stadium Authority has developed a cost and impact plan and the Washington County Commissioners and the Hagerstown City Council have approved the plan. The county Senate and House delegations of the General Assembly must also be given an opportunity to review and comment on the stadium plan.

House Bill 1004 (passed) establishes a 13-member Task Force on the Prince George's County Transfer Tax Rate to complete a thorough review of the county transfer tax rate and the effect of the transfer rate on the county's citizens, businesses, and schools. The task force must submit a final report of its findings and recommendations to the Chairmen of the Prince George's County House and Senate Delegations by November 1, 2000.

House Bill 1400 (passed) extends until July 1, 2005, the authority for St. Mary's County to impose a local transfer tax.

Part C

State Government

State Agencies, Offices, and Officials

Electronic Government

With electronic information and electronic information technology becoming an integral part of our everyday lives, the General Assembly during the 2000 session enacted three measures to push State agencies into embracing that technology while protecting against unnecessary invasions of privacy.

Internet Access to State Information and Services

Senate Bill 197/House Bill 274 (both passed) require the Secretary of Budget and Management to establish the following time line for agencies in the Executive Branch (except for public institutions of higher education) to make information and services available to the public over the Internet:

- 50 percent of the agencies by the year 2002;
- 65 percent of the agencies by the year 2003; and
- 80 percent of the agencies by the year 2004.

The bills require the Secretary to establish guidelines to implement the provisions and require agencies to develop annual project plans outlining the status of efforts to comply with the time line. The bills also require the Chief of the Office of Information Technology, within the Department of Budget and Management, to review the agency project plans. Finally, the statewide information technology master plan must include standards that assure nonvisual access to the information and services that each Executive Branch agency is required to make available to the public over the Internet.

eMaryland Initiative

Senate Bill 196/House Bill 276 (both passed) establish a CEO Board of Advisors for E-Commerce (CEO Board) and create an eMaryland Application Service Provider Consortium (ASP Consortium) at the University of Maryland College Park to assist in creating the most advanced electronic business environment in the nation and the world. The bills are based on the Internet policy recommendations of the State Information Technology Board.

The CEO Board may not exceed 12 members to be appointed by the Governor with the advice and consent of the Senate. The CEO Board will: (1) advise the Governor on economic development policies and initiatives to advance the promotion, deployment, and use of e-commerce in the State; (2) recommend ways to improve Maryland's position as an international leader in e-commerce; and (3) provide policy guidance to the ASP Consortium.

Overseen by a Management Committee, the ASP Consortium will develop partnerships with the State, universities, federal agencies, and technology companies to:

- develop pilot models for the deployment of Internet-based applications for government and educational institutions, such as procurement, financial, and human resource management applications;
- participate in collaborations to promote the development and testing of ASP technologies;
- provide assistance to small start-up companies wishing to utilize ASP technologies; and
- work with industry and public agencies to develop emerging e-commerce technologies.

The bills also expand the Information Technology Investment Fund to include an ASP account and to provide funding for ASP initiatives.

State Information Technology Board

Senate Bill 198/House Bill 275 (both passed) increase total membership on the State Information Technology Board (ITB) from 25 members to 34 members, to provide more representation from private sector representatives with expertise in information technology or electronic commerce. The bills also expand the duties of the ITB by requiring the ITB to make recommendations concerning the deployment of Internet-based applications and services for State government and educational institutions.

The bills are based on the ITB's Internet Policy Recommendation that it be restructured to allow for greater participation by private sector individuals with expertise in various fields of technology.

Public Records - Privacy Policies and Security

The ITB's Subcommittee on Internet User Privacy also made recommendations on privacy and security issues relating to public records, and those recommendations have been incorporated into *Senate Bill 199/House Bill 277 (both passed)*.

The bills amend the State Public Information Act to prohibit the creation of a personal record by a unit of State or local government unless the need for the record is clearly established. Any personal information in a personal record must be appropriate and relevant to the purposes for which it is created and accurate and current to the extent possible. The personal information must not be obtained by fraudulent means.

Specifically, under the bills, a custodian of personal records in a unit of State government must make an attempt to collect any personal information directly from the individual whom the records reference. In requesting the information, the custodian must specify:

- the purpose for which the information is being collected;
- any specific consequences for failing to provide the information;
- the individual's right to inspect, amend, or correct the record;
- whether the information will be generally available for public inspection; and
- whether the information is to be made available, transferred to, or shared with an entity other than the official custodian.

Each unit of State government must post its privacy policies with regard to the collection of personal information on its Internet web site.

The provisions of *Senate Bill 199/House Bill 277* do not apply to the following personal records:

- information relating to criminal law enforcement or the administration of the penal system;
- information contained in investigative materials kept to investigate a specific violation of State law and maintained by a State agency other than a law enforcement agency;
- information contained in public records that are archived in the Maryland Hall of Records; and
- information gathered as part of formal research projects previously reviewed and approved by federally mandated institutional review boards.

The bills also require each unit of State government to include, in its records management program, procedures to ensure the security of its records. The bills encourage local governments, which are not subject to the provisions of the bills, to conform their privacy policies to those in the bills. Finally, the bills specify that the legislation is not to be construed to preempt or supersede the State's medical records confidentiality law.

Social Security Numbers

A related bill, *House Bill 37 (passed)*, scheduled to take effect July 1, 2001, prohibits the State and local governments from including an employee's Social Security number on any kind of identification card. Included in the prohibition are county public school systems, as well as public institutions of higher education. The bill repeals the authority of the Motor Vehicle Association (MVA) to use, include, or encode a driver's Social Security number as an identifying number for a driver's license.

Department of Planning

Senate Bill 204/House Bill 286 (both passed) rename the Office of Planning to be the Department of Planning and designate the agency as a principal department of the Executive Branch of State government. The bills create a Secretary of Planning and make the Secretary the head of the department, reporting directly to the Governor. The bills transfer all of the former powers and duties of the office and its director to the department and its secretary.

The bills state that it is the intent of the General Assembly that there be no increases in the budget of the new department directly attributable to making the office a department in the next fiscal year or in any subsequent fiscal year.

Other State Programs and Agencies

Vehicle Theft Prevention Council and Vehicle Theft Prevention Fund

House Bill 155 (passed) extends the termination date of the Vehicle Theft Prevention Council and Vehicle Theft Prevention Fund of the Department of State Police from July 1, 2000 to July 1, 2003.

The Vehicle Theft Prevention Council and Vehicle Theft Prevention Fund were originally created in 1994. The council has the authority to make grants and awards from the fund for motor vehicle theft intervention programs, establish programs to reduce the vehicle thefts and related crimes, identify priorities for theft prevention strategies and criteria for the council's evaluation of recipients of assistance from the council, and study and propose laws that will further prevent and deter vehicle thefts and related crimes.

Maryland State Arts Council

House Bill 520 (passed) requires the Maryland State Arts Council to publish an annual report. Under current law, it is authorized to publish an annual report but is not required to do so.

Maryland Advisory Council for Individuals with Disabilities

Senate Bill 47 (passed) increases, from 28 to 30, the number of members appointed by the Governor to the Maryland Advisory Council for Individuals with Disabilities. The two new members are to be a representative of the Department of Housing and Community Development and a representative of the nonprofit housing community. The additions recognize that housing issues are of increasing importance to individuals with disabilities who seek independence.

Maryland Veterans Commission

Senate Bill 299/House Bill 518 (both passed) increase the membership of the Maryland Veterans Commission from 27 to 28 members adding a representative of the Maryland Coalition of the Retired Enlisted Association.

Veterans Legislation

In other veterans related legislation, *Senate Bill 264/House Bill 111 (both passed)* require the Governor to issue a proclamation each year encouraging the citizens of the State to observe a moment of remembrance at 3 p.m. on Memorial Day to commemorate the heroic acts and efforts of Marylanders who have served and died in the United States Armed Forces. The bills are part of a national effort to "reclaim Memorial Day as a sacred day for our fellow Americans who paid the ultimate price by dying for our country" through a National Moment of Remembrance.

Senate Bill 195 (passed) requires that the Governor appropriate \$250,000 in the State budget for fiscal 2001 to the Department of Veterans Affairs for donation to the national World War II Memorial Fund. The \$250,000 represents \$1 for each Maryland resident who served in the armed forces or the Merchant Marine during WWII.

House Bill 34 (passed) alters the compensation of honor guard members in the State militia serving in the burial services of a deceased veteran to provide that the compensation may not be less than the minimum wage plus expenses incurred to participate. Under current law, the compensation is to be 75 percent of one day's basic pay plus expenses incurred.

House Joint Resolution 3 (passed) recognizes the sacrifices of Americans missing and unaccounted for from our nation's wars by declaring the third Friday in September to be "POW/MIA Recognition Day." The resolution recognizes that the families of prisoners of war and of soldiers missing in action are deserving of national recognition, and it supports continued priority efforts to determine the fate of those missing Americans.

Impact of Slavery

The following bills are discussed under Part F, Courts and Civil Proceedings, subpart Human Relations.

Senate Bill 854 (passed) creates an 11-member Commission to Coordinate the Study, Commemoration, and Impact of Slavery's History and Legacy in Maryland.

Senate Joint Resolution 12 (passed) recognizes the contributions of Harriet Tubman and designates March 10 as Harriet Tubman Day in the State.

House Joint Resolution 12 (failed) would have requested the Governor to apologize on behalf of the citizens of Maryland for the State's history of slavery, its long-held silence in the face of slavery, and the atrocities committed under slavery in the State.

Other State Agency Business

A number of other bills passed which will affect the manner in which some State regulatory agencies conduct business.

Notaries Public

Senate Bill 74 (passed) authorizes the issuance of a notary public commission to an individual living outside the State if the state of residence of the individual allows a Maryland resident to serve as a notary public in that state. The bill also authorizes any member of the Senate of Maryland to approve the issuance of a notary public commission, if the applicant resides in a district in which the Senate office is vacant.

In addition, the bill allows the Secretary of State to issue lists of public information from its records, on request, if the Secretary of State approves of the purpose for which the information is requested. The Secretary of State may charge a fee for the list, and may charge a reduced fee for a request by a governmental agency or for nonprofit purposes. The Secretary of State may not provide the information for purposes of telephone solicitation.

Finally, *Senate Bill 74* allows the Secretary of State to charge a bad-check fee of not more than \$25 for the use of a check with insufficient funds in the payment of fees for the processing of a notarial commission. The Secretary of State also may revoke a commission without public hearing for the payment of fees with a bad check.

Commissioner of Financial Regulation

Senate Bill 830/House Bill 727 (both passed) expand the investigative and enforcement powers of the Commissioner of Financial Regulation beyond those investigative or enforcement powers granted the commissioner under any other law.

The bills also direct the Governor, beginning in fiscal 2001, to appropriate in each fiscal year to the Division of Financial Regulation the monies to fund the positions necessary to implement the new powers authorized under this bill. The bills are discussed in greater detail under the Financial Institutions subpart of Part I, Financial Institutions, Commercial Law, and Corporations.

State Lottery Agency

Senate Bill 78 (passed) authorizes the State Lottery Agency to sell State lottery tickets directly to the public or at a promotional or special event if no licensed agent is available to conduct the sale and the person holding the promotional or special event has authorized the agency to sell the tickets at the event.

Elections

Election Board Responsibilities and Personnel

Counting of Write-In Candidates

A 1989 Fourth Circuit Court of Appeals decision struck the provisions of Maryland law relating to the reporting of the votes cast for write-in candidates. Consistent with this decision, the General Assembly amended the law to strike the fee requirement and to mandate that all write-in votes be reported (See Chapter 90, 1990 Laws of Maryland). In 1992, however, the U. S. Supreme Court declared that the First Amendment does not require that the states permit write-in votes. Subsequently, write-in votes for noncertified candidates were not counted or reported in Maryland until 1998 when a petition was filed with the State Board of Elections requesting write-in votes cast in the 1998 gubernatorial general election to be counted.

Upon advice of counsel and based on the statutory language, the State Board of Elections directed the local boards of canvassers to count the write-in votes for State-filed offices. Manual labor was the only means to accomplish this directive which was characterized by the local boards as both expensive and time consuming. Accordingly, *Senate Bill 73 (passed)* removes the statutory requirement that the write-in votes for noncertified candidates be counted.

Removal of Deceased Voters from Registries

In a number of jurisdictions, the local board of elections removes the name of a deceased voter from the voter registry upon becoming aware of the death of a voter through an obituary or other reliable report. The Attorney General questioned the use of this practice due to the lack of statutory authority for removing the names of voters from the registry based on any information other than reports required to be provided by local county health officers. Death notices, however, are not available through a local county health officer when a Maryland resident dies out-of-state. *House Bill 449 (passed)* provides statutory authority for the use of an obituary or other reliable report as a valid notice of death allowing the removal of an individual's name from a voter registry.

Compensation of Local Election Board Employees

Employees of a local board of elections who are not participants in a local county merit system are classified in the skilled service or professional service of the State Personnel Management System. Salaries for the local election board are determined under the State Personnel Management System but are paid by the local jurisdictions. In response to concerns that a more appropriate unit determine the compensation of local election board employees, *Senate Bill 647/House Bill 881 (both passed)* require the State Board of Elections, upon the recommendation of the State Administrator of Elections, to determine the fixed rate of compensation for employees who are not under the local merit system.

Residency of Election Judges

Senate Bill 843 (passed) alters the residency requirements for election judges. Rather than requiring that a judge be a registered voter who resides in the election district or ward for which the judge is appointed, *Senate Bill 843* requires that the judge be a registered voter and resident of the county for which the judge is appointed.

Additionally, *Senate Bill 843* modifies the requirements for the appointment of an election judge when a qualified individual cannot be found with reasonable effort. The bill allows the appointment of a registered voter residing anywhere in the State if a qualified individual residing within the specific locality cannot be found.

Campaign Finance - Transfers by Political Action Committees

The State election law imposes a number of requirements on political action committees (PACs) including a requirement that PACs file with the State Board of Elections the name and purpose of the PAC as well as campaign finance reports listing the names of contributors to the PAC and the date and amount of contributions. The name adopted by the PAC may not be used if the intent or effect is to deceive people as to the true nature or character of the committee. Additionally, PACs are prohibited from making more than \$6,000 in donations to the treasurer or political committee of a candidate or of another political committee.

To ensure that it is clear when a donation is made by a political action committee, *Senate Bill 381 (passed)* requires PACs that make transfers to the treasurer or political committee of a candidate to include on the face of a check the official name of the PAC, as filed with the State Elections Board, and the words "Political Action Committee" or the notation "PAC."

Except for the election of certain members for the House of Delegates, *Senate Bill 381* also repeals a requirement that in elections for an office representing more than one county, the name of the candidate be identified by the county where the candidate resides. Identification of the county where a candidate resides will continue to be required for the election of members to the House of Delegates in a legislative district that is comprised of two or more counties or parts of counties in which the members elected are required to live in different counties.

Primary Elections in Baltimore City

In November 1999, the voters of Baltimore City amended their city charter to provide for the election of city officials during the presidential election year rather than the year following the gubernatorial election. Although the city's general election may be altered through the charter amendment process, the date of the primary election is controlled by State law. *Senate Bill 447 (failed)* would have altered the Baltimore primary election cycle to coincide with the presidential election year consistent with 1999 changes to the city charter.

Ethics

Lobbyists - Disclosure of Business Transactions

The subject of ethics received considerable attention from the General Assembly during the 2000 session, with the key issue being the disclosure of business transactions between lobbyists and government officials. Last year, Chapter 130 of the Acts of 1999 enacted sweeping changes to the laws relating to legislative ethics. Prior to that enactment, the State had not passed a consolidated, comprehensive ethics law in 20 years. Most of the changes enacted in the 1999 session were recommended by the Special Study Commission on the Maryland Public Ethics Law chaired by Congressman Benjamin L. Cardin. The commission was not authorized, however, to review the provisions of current law that relate to regulated lobbyists, except to the extent that these provisions relate to the conduct of legislators.

In recognition of the enormous growth in the business of lobbying and its tremendous impact on the legislative environment in Annapolis, in the 1999 session, the General Assembly enacted legislation creating a Study Commission on Lobbyist Ethics (Chapter 2 of the Acts of 1999). Chapter 2 requires the commission to collect information on lobbying practices and standards of ethics for regulated lobbyists, to receive testimony, to develop a code of ethics for

lobbyists, and to propose any appropriate statutory changes to the Maryland Public Ethics Law as it relates to regulated lobbyists. The work of that commission is underway, and a report is expected by November 1, 2000.

Under current law, a regulated lobbyist must file annual reports with the Ethics Commission concerning the lobbying activities of the lobbyist. The reports must include the total amount of money the lobbyist spent in influencing executive or legislative action and the name of each official, employee, or member of the immediate family of an official or employee given a gift or gifts over \$75 during the yearly reporting period.

House Bill 974 (passed) requires individual regulated lobbyists who lobby the executive or legislative branches to file an additional report with the State Ethics Commission that discloses any business transaction or series of business transactions during the previous six months between the lobbyist and certain State officials, the spouses of those officials, or certain business entities in which a State official holds a specified ownership interest. The lobbyist must disclose a transaction valued at \$1,000 or more or any series of transactions valued at \$5,000 or more. The bill does not apply to entities that employ individual regulated lobbyists or lobbyists who work for the State.

State officials covered under the bill include: (1) members of the General Assembly, (2) the Governor, (3) the Lieutenant Governor, (4) the Attorney General, (5) the Secretary of State, (6) the Comptroller, (7) the State Treasurer, and (8) a secretary of any principal State department.

When filing a report, the lobbyist must disclose the date(s) of the business transaction or series of transactions, the name and title of the State official involved in the transaction, and the nature and value of anything exchanged.

An alternative to **House Bill 974** was also considered during the 2000 session. **Senate Bill 753/House Bill 973 (both failed)** would have prohibited legislators or members of the immediate family of a legislator from directly participating in a business transaction where the legislator or family member received or anticipated receiving a monetary benefit. The prohibition would not have applied to: (1) normal retail sales with a cumulative value of less than \$500 or (2) the renewal of existing insurance contracts in the ordinary course of business. The same prohibition and exceptions also would have applied to individual regulated lobbyists with respect to legislators or members of the immediate family of a legislator. In addition, a legislator would have had to report to the Joint Committee on Legislative Ethics the details of any business transaction between an individual regulated lobbyist and a business partner of the legislator or the immediate family of a legislator that had a cumulative value of \$500 or more.

Joint Committee on Legislative Ethics - Rules of Legislative Ethics

Senate Joint Resolution 1/House Joint Resolution 7 (both passed) address several changes that resulted from the ethics law that went into effect in October 1999. The resolutions revoke the Rules of Legislative Ethics, which were rendered obsolete under the 1999 ethics law, and establish a new rule that allows the Joint Committee on Legislative Ethics to waive the normal confidentiality requirements that apply to its hearings, proceedings, and records by a three-fourths vote of the membership of the committee, but only if the disclosure is necessary to uphold the integrity of the ethics investigation process.

Procurement

Construction Contracts

Prompt Payment

In 1999, the General Assembly established a prompt payment requirement and an informal three-step dispute resolution process applicable to contractors who subcontract work under State construction contracts. The legislation required that a contractor pay a subcontractor undisputed amounts within ten days of receiving the final payment or a progress payment from the State. However, the 1999 legislation does not extend to the lower subcontractors and timely payment of lower tier subcontractors has remained a concern.

House Bill 600 (passed) caps the amount of retainage that the State may require in a construction contract at 5 percent,

provided that 100 percent security has been provided under the Maryland Little Miller Act. However, the bill does not preclude the State from withholding additional money if the agency reasonably believes the withholding is necessary to protect the State's interest.

House Bill 600 limits the percentage of payments due to a subcontractor that a contractor or another subcontractor may withhold, based on the percentage withheld by the State or by a higher tier contractor. However, the withholding of additional payments is permissible if a lower tier subcontractor's performance on the job provides reasonable grounds justifying additional withholdings. The bill also requires that State agencies include a provision in the procurement contract governing prompt payment of subcontractors at each level of subcontracting, requiring an informal resolution process similar to that available to first tier subcontractors.

House Bill 600 also expands an escrow provision under the State's procurement law that has been applicable solely to transportation projects. The bill allows any prime contractor to provide for the escrowing of retainage payments on any State construction contract, provided that the contract does not involve tax-exempt financing. A proportion of interest earned must be included with each retainage payment.

Action by a Supplier on Payment Security

Senate Bill 740/House Bill 928 (both passed) amend the Maryland Little Miller Act to prohibit an executory contract between a supplier and a contractor or subcontractor from waiving or requiring the supplier to waive the right to sue on payment security. **Senate Bill 740/House Bill 928** also prohibit an executory contract that conditions payment to the supplier on receipt of payment from a public body or other third party from abrogating the right of the supplier to sue on payment security. A provision of a contract made in violation of these provisions is void as against public policy. The protections under the bill are similar to those protecting suppliers under construction contracts that are subject to the State's mechanic's lien law.

Intergovernmental Cooperative Purchasing

The State's procurement law authorizes the State's primary procurement units to either sponsor or participate in intergovernmental cooperative purchasing agreements with other governments if entering such an agreement is in the best interest of the State. An "intergovernmental cooperative purchasing agreement" is defined, in part as a contract that is entered into by at least one governmental entity and a person selected under the procurement laws, that is available for use by the governmental entity entering the contract and at least one other governmental entity, and is intended to promote efficiency and savings.

A governmental entity is defined to include: (1) the federal government or an agency or other instrumentality of the federal government; (2) another state or an agency or other instrumentality of another state; (3) a bistate or multistate agency; (4) a county, municipal corporation, or other political subdivision of the State or of another state, or an agency or other instrumentality of the political subdivision; (5) a bicounty or multicounty agency; or (6) a primary procurement unit.

House Bill 177 (passed) expands the definition of "governmental entity" under the provisions authorizing intergovernmental cooperative purchasing to include "an affiliation, alliance, consortium, or group composed solely of governmental entities that is established for purposes of promoting intergovernmental cooperative purchasing." This bill grants the State's primary procurement authority to participate in an intergovernment cooperative purchasing agreement that is managed by a formalized group or consortium of governmental entities that is organized to promote cooperative purchasing rather than directly by any single governmental entity.

Minority Business Enterprise Programs

State MBE Program - Extension

In 1978, the General Assembly established the State's Minority Business Enterprise (MBE) Program. In 1989, the United States Supreme Court held, in *City of Richmond v. J.A. Croson Co.*, 488 U.S. 469, that state or local MBE programs using race-based classifications are subject to strict scrutiny under the equal protection clause of the

Fourteenth Amendment of the United States Constitution. Under *Croson*, not only does the governmental entity need to show a compelling governmental interest to justify a race-based program, but any remedy under the program must be narrowly tailored to address the interest identified.

In response to the *Croson* decision, the Board of Public Works commissioned Coopers and Lybrand to undertake a minority business utilization study to support the State's MBE Program. In 1990, the General Assembly altered the State's MBE Program, retaining the 10 percent MBE participation goal, but modifying the program in a manner intended to comply with *Croson*. The 1990 legislation narrowed the scope of the program and authorized the Board of Public Works to designate a single agency for the certification of MBEs. The Maryland Department of Transportation (MDOT) is charged with this responsibility. The 1990 legislation also authorized a further study to evaluate the MBE Program's continued compliance with *Croson* and subsequent judicial decisions. The MBE Program enacted in 1990 was to be in effect for a five-year period and was scheduled to terminate June 30, 1995.

In accordance with the 1990 legislation, MDOT contracted with National Economic Research Associates (NERA) to conduct a second minority business utilization study prior to the 1995 session. Based on the NERA study, the Administration proposed legislation during the 1995 session that would have increased the State's MBE participation goal from 10 to 18 percent and expanded the program to all units in the executive branch of State government. As proposed, the 1995 legislation would have also established a split goal for construction contracts - with a 5 percent minimum of a unit's total value of construction contracts made directly or indirectly with MBEs owned by women and a minimum of 13 percent with MBEs owned by other minorities. However, the General Assembly established a 14 percent MBE participation goal for all units in the executive branch of State government that are subject to the State's procurement law. For MDOT construction contracts, the goal applies only to contracts exceeding \$100,000. The concept of split goals was rejected. The 1995 legislation also relaxed bonding requirements, required additional contractor outreach efforts to MBEs, required regulations providing enhanced record keeping requirements, and required the establishment of a graduation program. The 1995 program was to remain in effect until July 1, 2000.

The 1995 legislation required an additional study of the MBE Program, which was to be presented to the General Assembly by September 30, 1999. In December 1998, MDOT contracted with MGT of America to conduct the required study. However, after receiving a draft of the MGT study, MDOT raised questions about the methodology utilized and eventually issued a stop work order to MGT. MDOT has since contracted with another firm to complete a study through an emergency procurement process. Absent the completed study, however, there is no basis on which to project recommended goals for the future of the State's MBE Program.

Senate Bill 808/House Bill 287 (both passed) extend the termination date for the State's MBE Program to July 1, 2002. The bills also require that an executive summary of the required study be submitted to the Legislative Policy Committee of the General Assembly by December 1, 2000, and extend the deadline for the submission of the final report to January 10, 2001. The bills require that the study be initiated in consultation with the Office of the Attorney General. ***Senate Bill 808/House Bill 287*** also decrease the threshold governing MDOT construction contracts that are not subject to the MBE Program from \$100,000 to \$50,000. The two-year extension gives the General Assembly the option of addressing the State's MBE Program during either the 2001 or 2002 session.

Local Boards of Education

In awarding a contract for school construction, improvements, supplies, or equipment, a county board of education and the New Baltimore City Board of School Commissioners are required to award a contract to the lowest responsible bidder that meets specifications with consideration given to: (1) quantities involved; (2) time required for delivery; (3) required purpose; (4) competency and responsibility of the bidder; and (5) ability of the bidder to perform satisfactory service. As part of legislation expanding the application of the prevailing wage law, discussed below, the General Assembly also addressed the requirement that local boards of education address the use of minority contractors in specified procurement activities.

Senate Bill 202 (passed) requires a local board of education to include specifications pertaining to utilization of minority contractors in awarding contracts for school buildings, improvements, supplies, or other equipment. The bill also provides, that the prequalification questionnaires, administered by local boards of education for the purposes of

soliciting bids for school construction, must include questions regarding the diversity of a contractor's board of directors. The MBE provisions under *Senate Bill 202* reflect current practice, consistent with requirements under the State's public school construction program.

Nonvisual Access for Information Technology

In 1998, the General Assembly required the Chief of Information Technology in the Department of Budget and Management to develop a clause for inclusion in State procurement contracts regarding nonvisual access. The clause is to be included in each invitation for bids or request for proposals for the procurement of information technology unless the information technology is not available with nonvisual access because the essential elements of the technology are visual, and nonvisual equivalence cannot be developed, or the cost of modifying the information technology for compatibility with software and hardware for nonvisual access would increase the cost of the procurement by more than 5 percent. "Nonvisual access" is defined as the ability to receive, use, and manipulate information, and operate controls necessary to access information technology, through keyboard control, synthesized speech, braille, or other methods not requiring sight.

Senate Bill 607/House Bill 592 (both passed) expand the 1998 legislation to address information technology services and require that the Chief of Information Technology adopt regulations establishing nonvisual access standards by January 1, 2003, for use by each unit of State government in the procurement of information technology and the provision of information technology services. "Information technology services" is defined as information provided by electronic means by or on behalf of a unit of State government.

Prevailing Wage in School Construction

The prevailing wage law covers any public works contract when State public funds are used to finance at least 50 percent of the construction costs of a particular project. The prevailing wage law does not apply to projects with a cost of less than \$500,000. Public school projects, however, are subject to prevailing wages if the State funding contribution is at least 75 percent of total project funding.

Prevailing wages are the hourly wage rates paid in the locality in which the construction work is to be performed. If 50 percent or more of all workers in a trade are paid exactly the same rate, that rate is considered the prevailing wage. If not, then 40 percent or more of the employees for each work classification must be paid the same rate in order for the rate to qualify as prevailing. If fewer than 40 percent receive the same rate, a weighted average is calculated and used as the prevailing wage. Prevailing wages are based on hourly wage levels and employer benefit contributions.

Senate Bill 202 (passed) repeals the provisions of law that require 75 percent or more of an elementary or secondary school construction project to be funded by the State in order for the prevailing wage law to apply. Instead, schools with construction costs of \$500,000 or more, for which the State funds 50 percent or more of the construction costs, will be subject to the prevailing wage law.

State Fiscal Effect

A number of factors will determine the extent of any increase in costs associated with *Senate Bill 202*, including market and wage conditions. A 1989 Department of Legislative Services (DLS) study concluded that the prevailing wage increases project costs by 5 to 15 percent, depending upon the type of project, labor costs as a share of total costs, and market conditions. In 1995, DLS reviewed the 1989 study and concluded that the 5 to 15 percent range was still valid.

Another study on the impact of prevailing wages was recently prepared for the Prince George's County Council. That study concluded that building a school in a prevailing wage jurisdiction in Maryland would cost 1.9 percent more than building the same school in a non-prevailing wage jurisdiction and that this result was not statistically significant.

The State share of eligible costs for school construction is 75 percent or less in all jurisdictions except Somerset, where it is 80 percent. In no jurisdiction is the State share less than 50 percent. The State share of eligible costs for public school construction is as follows:

50%	Anne Arundel; Baltimore County; Howard; Kent; Montgomery; Talbot; Worcester
55%	Calvert; Queen Anne's
60%	Prince George's
65%	Carroll; Charles; Frederick; Harford; Washington
70%	Cecil; Dorchester; Garrett; St. Mary's; Wicomico
75%	Allegany; Baltimore City; Caroline
80%	Somerset

Since not all construction costs are eligible costs for computing State funding, most school construction projects with a State share of 50 percent of eligible costs will not be required to pay prevailing wages.

For school construction projects in jurisdictions with 50 percent of the construction costs provided by the State, the local jurisdiction can avoid the impact of *Senate Bill 202* by increasing the local share of construction costs by 1 percent to 51 percent. This would result in the State having a 1 percent decrease in expenditures for certain school construction projects under *Senate Bill 202*.

How many school construction projects would be subject to the prevailing wage because of *Senate Bill 202* is not known. However, for illustrative purposes, based on the fiscal 2000 school construction projects, State expenditures could increase in fiscal 2001 by \$3.0 to \$14.8 million. These figures are based on the following assumptions:

- 20 percent (\$15.8 million) of the \$79.1 million for projects with 50 percent or less State funding for eligible costs will be subject to the prevailing wage;
- all of the \$132.1 million in other jurisdictions is subject to the prevailing wage, and the State share is 65 percent of the construction costs;
- none of the projects associated with these State funds would be subject to prevailing wage without *Senate Bill 202*;
- project costs increase by 2 percent to 10 percent due to requiring payment of the prevailing wage; and
- State contractors are able to pass on all of the increase in costs to the State because of the high demand for construction services.

Local Fiscal Effect

The impact on local government expenditures depends on whether a jurisdiction has a school project of \$500,000 or more with 50 percent or more of the construction costs provided by the State. *Senate Bill 202* will not impact Allegany County, Caroline County, Somerset County, or Baltimore City since they are already subject to the prevailing wage rate. The counties most affected by *Senate Bill 202* are those with a State share of school construction costs between 55 and 70 percent. For illustrative purposes, based on the fiscal 2000 school construction projects and the assumptions stated above, local expenditures could increase in fiscal 2001 by \$1.4 to \$7.1 million.

State Consultants - Conflicts of Interest

During the 1999 session, the General Assembly enacted legislation proposed by the Governor's Special Commission to Study Health Care Procurement Practices. During deliberations on the 1999 legislation, the committees considered an amendment addressing potential conflicts of interest involving consultants working for the State on procurement matters. Rather than adopt the suggested amendments as part of the Governor's Special Commission's proposed legislation, the Senate Economic and Environmental Affairs Committee requested the State Ethics Commission to review the proposed amendments during the 1999 interim. Following its review, the State Ethics Commission acknowledged potential vendor conflicts of interest. However, the State Ethics Commission recommended that this

issue be addressed under the procurement law rather than the Maryland Public Ethics Law and that a disclosure program be developed requiring that a statement of actual or potential conflicts be submitted with any bid proposal.

Senate Bill 541/House Bill 702 (both passed) amend the Maryland Public Ethics Law to prohibit an individual or the individual's employer from submitting a bid or proposal, or assisting another person who submits a bid or proposal, for a contract if the individual is involved in assisting the agency in the award of the contract. The bills also amend the State procurement law to require that each invitation for bids or request for proposals for a contract that will involve the selection of a consultant who is to assist a State agency in specified contracting activities require that a bidder or offeror provide an affidavit disclosing any actual or potential conflict of interest of which the bidder or offeror knows, or reasonably can be expected to know. The Board of Public Works is required to adopt regulations concerning the disclosure and evaluation of conflicts of interest.

Regulations and the Administrative Procedure Act

Smart Codes

On May 26, 1999, over 300 architects, planners, code officials, environmentalists, and others joined Governor Parris Glendening for a Maryland Smart Codes Conference. During the conference, participants discussed impediments to smart growth development caused by Maryland's existing construction codes, including:

- lack of uniformity arising from overlapping and unclear requirements;
- lack of predictability due to varying requirements among jurisdictions and different interpretations by individual code enforcement officials;
- lack of flexibility as applied to existing buildings; and
- lack of training for code officials and private design professionals.

Participants also highlighted impediments posed by development regulations in effect across the State, including:

- lack of incentives for innovative smart growth projects;
- imposition of cumbersome reviews for mixed-use and infill developments; and
- encouragement of inefficient land use by requiring wide roads, large lots, deep setbacks, excessive parking, and other provisions.

Subsequently, in July 1999, the Governor established the Smart Codes Strategy Group and a smaller steering committee to develop smart growth recommendations for existing building codes and development regulations. The group was charged with finding innovative ways to strengthen existing communities through redevelopment and reduce the land and infrastructure costs of new smart growth development. The group recommended legislation to address rehabilitation of existing buildings and promotion of infill and compact mixed use developments.

Maryland Building Rehabilitation Code

Vacant and underutilized buildings seriously detract from the areas in which they are located. Private and public interest in rehabilitating older buildings is enhanced by regulatory procedures and standards for rehabilitation and reuse that are more predictable, consistent, and flexible. This goal can be facilitated by the adoption of a consistent statewide building rehabilitation code that avoids the overlapping of State and local codes and the conflict and confusion created by differences in local codes.

Senate Bill 207/House Bill 284 (both passed) create a 27-member Maryland Building Rehabilitation Code Advisory Council and require the Department of Housing and Community Development (DHCD) to work with the Advisory Council in adopting by regulation a Maryland Building Rehabilitation Code (MBRC). The MBRC will be modeled on

the Nationally Applicable Recommended Rehabilitation Provisions developed by the federal Department of Housing and Community Development and the National Association of Home Builders' Research Center. These bills also provide minimum standards that the MBRC must contain.

The purpose of the MBRC is to encourage and facilitate the rehabilitation of buildings by reducing the costs and constraints of existing procedures and standards. The MBRC applies to all rehabilitation projects for which a construction permit application is received by a local jurisdiction, the Maryland-National Capital Park and Planning Commission (M-NCPPC), or the Washington Suburban Sanitary Commission (WSSC). DHCD is required to submit the MBRC as proposed regulations to the AELR Committee on or before December 31, 2000, and to adopt the regulations as soon as possible thereafter. DHCD and the advisory council are then required to review the MBRC and adopt necessary revisions at least once every three years.

A local jurisdiction may adopt local amendments to the MBRC that apply only within the local jurisdiction. However, only a local jurisdiction that does not amend the MBRC is eligible for funding above the amount appropriated in the fiscal 2000 State budget for circuit rider inspectors provided under the DHCD's circuit rider program, training for the local jurisdiction's code enforcement officials, a smart growth mortgage program, the Department of Transportation's neighborhood conservation program, or the rural legacy program. In addition, only a local jurisdiction that does not amend the MBRC is eligible for a priority under the Department of Transportation's enhancements programs.

Senate Bill 207/House Bill 284 provide that the bill does not change the authority of the State, any local jurisdiction, the M-NCPPC, or the WSSC to regulate planning, zoning, new construction, or subdivision.

Infill Development and Smart Neighborhoods

"Infill development" is new development in a Priority Funding Area on vacant, bypassed, and underutilized lands within existing developed areas. "Smart neighborhood development" is a comprehensively planned, compact mixed use development within a priority funding area that integrates residential, commercial, open space, and public uses.

House Bill 285 (passed) requires the Maryland Office of Planning to:

- draft model land-use codes for infill development and smart neighborhood development;
- draft guidelines to provide local governments with information on innovative planning and implementation techniques to encourage and facilitate infill development and smart code neighborhood development;
- circulate the models and guidelines to other State agencies and departments; and
- work with local governments, State agencies, and departments to develop incentives to encourage the voluntary adoption and implementation by local governments of the intent of these models and guidelines.

House Bill 285 provides that the bill does not change the authority of any local jurisdiction, the M-NCPPC, or the WSSC to regulate planning, zoning, or subdivision.

Comptroller

Cigarette Business Licenses

Currently, if an applicant for a cigarette business license meets the requirements for a license, the Comptroller must issue the license and has no authority to conduct any further investigation of the application. The Comptroller may deny a license application, reprimand a licensee, or suspend or revoke a license if the applicant or licensee fraudulently or deceptively obtains or attempts to obtain a license, fraudulently or deceptively uses a license, fails to comply with the Maryland Cigarette Sales Below Cost Act, or buys cigarettes for resale in violation of a license or from an unauthorized person.

House Bill 95 (passed) adds new circumstances under which the Comptroller may deny a license to an applicant,

reprimand a licensee, or suspend or revoke a license. These include a felony conviction, a misdemeanor conviction of a crime of moral turpitude that is directly related to the fitness of the applicant or licensee, or the failure to pay a tax due. The Comptroller must grant a waiver from these provisions to any person who is licensed as of October 1, 2000, for a conviction occurring prior to that date.

The bill also requires the Comptroller to investigate applications for cigarette business licenses with regard to the applicant, the business to be operated, and the facts set forth in the application.

Possession of Unstamped or Improperly Stamped Tobacco Products

House Bill 149 (passed) reduces the penalties for offenses related to unstamped or improperly stamped cigarettes based on the quantity of cigarettes. A person who possesses, sells, or attempts to sell 30 cartons or less of unstamped or improperly stamped cigarettes is guilty of a misdemeanor and on conviction may be fined up to \$500 or imprisoned up to three months or both. For an offense involving more than 30 cartons, a person is guilty of a misdemeanor and on conviction may be fined up to \$1,000 or imprisoned up to one year or both, which is the penalty under current law regardless of the quantity of cigarettes involved.

In 1999, the General Assembly enacted legislation extending the tobacco tax to other tobacco products, including cigars, chewing tobacco, loose pipe tobacco, and snuff, effective July 1, 2000. **House Bill 149** also reduces the penalty for a person who willfully possesses, sells, or attempts to sell other tobacco products on which the tobacco tax has not been paid. A violator is guilty of a misdemeanor and on conviction may be fined up to \$500 or imprisoned up to three months or both.

Motor Fuel Licenses

Corporate mergers and restructurings within the petroleum industry have resulted in entities that do not meet all of the qualifications of a Class "A" motor fuel license. A typical example would be an entity affiliated with the parent company that does not operate as a refiner and therefore does not meet the present qualifications for a license. The primary benefit of the license is that it allows for tax-free sales of gasoline among Class "A" license holders.

House Bill 151 (passed) expands the conditions under which an applicant may qualify for a Class "A" motor fuel license by allowing an entity to qualify if it is owned by a parent company that would otherwise qualify for the license.

Public Schools Forms Management

Senate Bill 900 (passed) delays until July 1, 2003, the application of standards for racial identification in State government data collection forms, as those standards relate to schools, school systems, and the State Department of Education (MSDE).

Legislation enacted in 1998 implemented revised federal reporting standards required by the federal Office of Management and Budget, which establish the categories of federal data that may be collected on race and ethnicity. The federal standards permit five racial categories and one ethnic category and disallow the use of a single, multi-racial category. Any data collection form prepared by a unit of State government that requires the identification of persons by race must include the following racial categories: (1) American Indian or Alaskan native; (2) Asian; (3) Black or African American; (4) Native Hawaiian or other Pacific Islander; and (5) White. The federal standards also require a separate question, preceding the question on racial categories, of whether the respondent is of Hispanic or Latino origin.

The 1998 enactment (Chapter 459) was to be applicable to any data collection form created or revised after July 1, 1998, and to all data collection forms used as of January 1, 2002. The United States Department of Education Office for Civil Rights (OCR) is currently developing new racial and ethnic categories for its data reporting forms that will comply with the new federal standards. However, OCR has made no final decision on when its data collection forms will be amended to reflect these changes and has until January 1, 2003, to adopt the new federal standards. The discrepancy in the deadlines for compliance with the federal and State standards is a problem for MSDE with regard to MSDE forms that serve as the basis for reporting race and ethnic data to OCR. If MSDE's forms are changed to reflect

the new State standards before OCR changes the federal forms, data will be collected that will put MSDE out of compliance with OCR requirements. *Senate Bill 900* addresses this discrepancy by extending the State deadline.

Personnel

Employee Compensation

Employee compensation enhancements constitute a major component of the fiscal 2001 budget. Most significant is a \$41.0 million general fund increase for a 4 percent general salary increase starting on November 15, 2000. There is also \$38.6 million in general funds for salary increments. The administration is beginning what could potentially become an annual process by implementing position upgrades in a number of statewide and agency-specific positions, at a cost of \$11.9 million in general funds. The pay-for-performance policy continues through fiscal 2001, totaling \$6.3 million in general funds. Combined, these elements of employee compensation account for a general fund increase of \$91.5 million over fiscal 2000 expenditures.

In fiscal 2001, two additional structural changes to employee compensation are anticipated. First, the executive pay plan will no longer cover employees below the level of assistant and deputy secretary. The approximately 150 executive service employees remaining will be compensated by way of salary bands where only minimum and maximum salaries are defined. The approximately 400 managerial service employees currently in the executive pay plan will move to the proposed expanded standard pay plan. Grades 23 to 26 will be added to the plan to accommodate these employees. The cost of this adjustment will be absorbed within existing budgets.

House Bill 1270 (passed) implements the provisions of the negotiated agreements between the Governor and the collective bargaining units. This omnibus bill makes changes to State personnel rules relating to holiday pay, gives State employees the ability to cash out unused sick leave and increases death benefits for State employees killed in the performance of job duties. *House Bill 1270* makes the following changes regarding State personnel policies:

- clarifies that State employees receive holiday pay and compensatory time (time and a half) for any hours actually worked on a scheduled holiday;
- allows employees to receive cash payment for up to 40 hours of unused sick leave per calendar year if an employee has used no more than 40 hours of sick leave during the calendar year and has a sick leave balance of at least 240 hours at the end of calendar year;
- allows employees to receive cash payment of up to 56 hours of unused sick leave per calendar year if an employee has used no more than 24 hours of sick leave during the calendar year and has a sick leave balance of at least 240 hours at the end of the calendar year; and
- increases the death benefit for an employee killed in the line of duty from \$50,000 to \$100,000.

In addition to enhancing compensation for State employees, *House Bill 1270* alters aspects of the executive pay plan by establishing minimum and maximum salaries for positions in the plan, as an alternative to existing grades and steps. The bill also removes the requirement of Board of Public Works approval of employee salary adjustments in the executive pay plan. The standard pay plan would be expanded by adding several grades at the top of the plan, which would consist of those employees removed from the executive pay plan.

House Bill 1252 (passed) requires that essential State employees receive compensatory time or additional pay for any required work in Anne Arundel, Cecil, Harford, or Kent Counties during Hurricane Floyd. Any payments made to these employees will be funded from the State Reserve Fund's Catastrophic Event Fund.

Employee Leave

Advances in medical science are making organ transplants more feasible.

Senate Bill 17/House Bill 106 (both passed) add organ donation leave to the types of leave with pay available to State

employees. This leave may only be granted with appropriate medical documentation. The bills provide up to seven days for bone marrow donations in a 12-month period and up to 30 days for actual organ donations in a 12-month period. The federal government also recently provided its employees with organ donation leave.

State Employment

As part of the reform of the personnel system in 1996, the General Assembly mandated that the Department of Budget and Management study the issue of long-term contractual employment. During the 1998 session, the General Assembly passed legislation that allowed the conversion of contractual employees to permanent positions after only six months of satisfactory job performance. *Senate Bill 172 (passed)* continues the State's efforts to reduce the high number of long-term contractual employees. *Senate Bill 172* provides that a State contractual employee who is selected to fill a permanent position in the same agency that employs the contractual employee will be given service credits for time spent as a contractual employee to establish steps in the pay grade, annual leave, and seniority rights. The provision addresses an inequity by providing these credits if an existing contractual employee is selected for a different position within the same agency without a break in service.

Senate Bill 163/House Bill 267 (both passed) extend the termination date for the Competitive Re-Engineering Pilot Program from September 30, 2000, to

September 30, 2003. The bills also extend the deadline for submission of a report on the pilot program to the budget committees from October 1, 1999, to October 1, 2002. In 1997, the General Assembly created the Competitive Re-Engineering Pilot Program to allow agency heads to nominate services for improvement through voluntary re-engineering or redesign by employees before privatization is pursued.

Several bills dealt with transferring local child support enforcement employees to the Child Support Enforcement Administration of the State Department of Human Resources. Existing State law allows for these transfers to occur. *Senate Bill 463/ House Bill 525 (both passed)* provide that employees of the local child support enforcement office in Baltimore County who were transferred to the State after June 30, 1999, must be credited with the years of service with the county for purposes of establishing seniority and layoff rights. Current law requires that transferred employees shall receive no reduction in compensation, so the bills also require that the salaries of the transferred employees be based on the same hourly rate that the employees were receiving at the time of transfer. *House Bill 222 (passed)* transfers child support enforcement employees of the Howard County State's Attorney's Office to the State. The transferred employees must be credited with the years of service with the county for purposes of establishing seniority and layoff rights. These transferred employees will have no reduction in compensation or accumulated leave, and they should be placed in positions that are comparable to their former positions.

Pensions and Retirement

Law Enforcement Officers' Pension System - Enhancement and Expansion of Membership

Two bills altering the Law Enforcement Officers' Pension System (LEOPS) were passed during the 1999 session: one enhancing the system's benefit structure the other expanding its membership by including in it some additional State fire and law enforcement officers who were previously in the general employees' system. *House Bill 604 (passed)* and *House Bill 605 (passed)* are the products of collective bargaining between the Governor and the bargaining unit representing State law enforcement officers.

LEOPS Enhancement

House Bill 604 enhances retirement benefits for active members and retirees of LEOPS. Current LEOPS membership includes Department of Natural Resources rangers and police, University of Maryland police, Maryland Transportation Authority police, deputy State fire marshals, and several other smaller State law enforcement units.

Description of Enhancements:

Most of the approximately 1,100 LEOPS active members will be required to contribute 4% of salary. Currently, members pay no contributions if their salary is below the Social Security wage base.

- These members receive 2% of average final compensation for each year of service, with a maximum normal service retirement allowance not to exceed 60% of average final compensation. The current benefit provides 1.0% of average final compensation up to the Social Security integration level and 1.7% thereafter (with a supplemental benefit until age 62).
- Active members, former vested members, and retirees receive a 3% compound COLA (versus current 3% simple COLA).
- A LEOPS member becomes eligible for an accidental disability retirement benefit if the member is totally and permanently incapacitated for duty arising out of or in the course of the actual performance of duty. The bill therefore allows LEOPS members to qualify for accidental disability based on occupational diseases (such as heart condition, hypertension) if the disability arises out of or in the course of the actual performance of duty (similar to the provisions for the State Police system). Current law requires the disability to be the "natural and proximate" result of a specific accident.
- LEOPS "retirement tier" members (who transferred from the "old" Employees' Retirement System and retained that benefit structure) have a six-month window (through December 31, 2000) to select the enhanced LEOPS benefit or to continue under their current structure. If the member opts to remain in the "retirement system" option of LEOPS, the member continues to pay the retirement system contribution rate of 5% or 7% and receives the retirement system COLA.
- LEOPS members are eligible for a Deferred Retirement Option Program (DROP) that allows them to "retire" from LEOPS but continue to be employed by their current employer in the same position with the same rank and status for a fixed period of time. The member's benefit payments (based on service credit and salary at "retirement") are maintained by the State retirement system in a fictional account where the member earns interest and receives any cost-of-living adjustments to the basic retirement allowance. The member does not accrue any additional service during the DROP period. At the end of the fixed period, the member terminates employment and receives the value of the DROP account and begins to receive the normal retirement allowance as well. The specifics of the DROP are as follows:
 - To be eligible for the DROP, a member must have at least 25 years but less than 30 years of service.
 - The maximum period of the DROP is five years, with constraints that limit total seniority to 30.
 - A DROP participant is officially a retiree of LEOPS even though the member continues to work and is eligible for death and special disability benefits.
 - The DROP member earns 6% (compounded monthly) on the member's retirement allowance paid during the DROP period, versus the current statutory regular interest of 5%.
 - Upon termination of the DROP, the member or designated beneficiary receives the DROP amount in a lump sum.
 - Implementation of the DROP is contingent on receipt of an affirmative determination letter from the Internal Revenue Service indicating that the DROP does not harm the tax-qualified status of LEOPS.
- The bill introduces some technical provisions similar to those included in the Employees' Pension System under **House Bill 421 (passed)** discussed below, including:
 - a four-year break-in-service rule;
 - termination of membership upon withdrawal of contributions, with the right to repurchase past

service with the redeposit of contributions plus interest; and

- a period of two years to file a disability application after termination of membership (for a total of six years from termination of employment).
- LEOPS members are now able to transfer pension credit from other systems into LEOPS. (Current law prevents such transfers.)

Fiscal Impact - Additional Employer Pension Contributions Required: Under the bill, LEOPS members can retire at 30 years of service with 60% of average final compensation, the maximum benefit allowed. Alternatively, they can retire at 25 years of service with 50% of average final compensation, versus 42.5% under current law. The DROP also affects pension costs by shortening the average age and years of service until retirement.

The State's actuary estimates the net present value of the additional pension benefits under the enhancement to be \$62.0 million. The additional liabilities are amortized over 19 years through fiscal 2020. The first year cost in fiscal 2002 is \$4.4 million, increasing 5% per year thereafter.

As a percentage of payroll, the employer contribution rate will increase from 23.38% (fiscal 2001) to 31.97% (this rate is based on the assumption that the State makes contributions for all system members, including those in the DROP).

Expansion of LEOPS Membership

House Bill 605 expands membership in LEOPS to include police officers of the Department of General Services, the Department of Health and Mental Hygiene, the Motor Vehicle Administration, and the Department of Labor, Licensing, and Regulation, and members of the BWI Airport fire department. Current employees have the option (until December 29, 2000) to transfer to the LEOPS. Future employees will be automatically enrolled in the LEOPS.

Approximately 174 State fire and law enforcement officers are covered under the bill. These employees are currently enrolled in the Employees' Pension System (EPS), which provides a full retirement benefit after 30 years of service. LEOPS is a "25 years and out" system and has other provisions geared toward law enforcement officers. The employees covered under the bill also receive the enhancement described above under **House Bill 604**.

It is assumed that all 174 police and fire/rescue personnel will transfer to LEOPS. As a result of the change, the fiscal 2001 employer contribution rate for these officers will increase from 5.71% of pay (under EPS) to 23.38%, an increase of 17.67% of pay per year. This amount is estimated at \$1.1 million for fiscal 2001 only.

In addition, the actuary estimates that the net increased actuarial liabilities and additional normal costs to the State Retirement and Pension System under the proposal to be approximately \$11 million. The actuarial liabilities are amortized over 19 years through the year 2020. The total ongoing cost of the enhancement is estimated at \$1.8 million beginning in fiscal 2002, and increasing approximately 5% per year thereafter.

Teachers' Retirement and Pension Systems

Several bills affected members and retirees of the teachers' retirement and pension systems.

Teachers at Reconstituted Schools

Under **Senate Bill 866/House Bill 1297 (both passed)** members of the teachers' retirement and pension systems who are hired by a third-party contractor to work in one of the three reconstituted schools in Baltimore City (and any future reconstituted schools) may withdraw their previous member contributions while employed by the contractor. The member may redeposit those contributions plus regular interest and restore the service credit if the member returns to employment with a board of education. These members may also purchase up to five years of service credit at less than full actuarial cost for employment with the private contractor.

Teacher Reemployment

Chapter 518 of 1999 (SB 15) exempted retirees of the teachers' retirement and pension systems from the reemployment earnings limitation if they are reemployed as classroom teachers. Under State pension law, the pension benefits of retired members are reduced if they are reemployed with a participating employer and they earn above a certain amount in their new job. These retired members do not accrue additional pension service credit. They do, however, receive their retirement benefit simultaneously with their reemployment salary. This year, two bills were passed that expanded the exemption from the earnings limitation to other members of the teachers' retirement and pension systems.

Senate Bill 220 (passed) exempts retirees of the teachers' retirement and pension systems from the reemployment earnings limitation if they are reemployed as principals, under certain conditions. The bill takes effect July 1, 2000, and terminates on June 30, 2004.

The bill exempts from the reemployment earnings limitation a retiree of the teachers' retirement or pension system who:

- was employed as a principal within five years of the member's retirement and, based on the retiree's qualifications, has been hired as a principal;
- has verification of better than satisfactory performance in the last assignment as a principal and receives verification of better than satisfactory performance each year the retiree is employed as a principal under this exemption;
- retired with a normal service retirement allowance, or retired with an early service retirement allowance and has been retired for at least 12 months; and
- is not reemployed as a principal under the bill for more than four years.

House Bill 1404 (passed) exempts from the reemployment earnings limitation a retiree of the Teachers' Retirement System (TRS) who retired from a board of education or local school system and who is reemployed in a part-time position with the University of Maryland. The bill terminates after one year.

Joint Committee on Pensions Legislation

Each year, the Joint Committee on Pensions introduces pension legislation at the request of the State Retirement and Pension System (SRPS) and on its own initiative. In the 2000 session, six bills introduced by the joint committee were passed.

Transfers to or from Employees' and Teachers' Pension Systems

House Bill 348 (passed) alters the terms for the transfer of service credit to or from the contributory Employees' Pension System (EPS) and Teachers' Pension System (TPS) as it affects employee contributions. Under prior law, public employees transferring service credit to the EPS or TPS were required to transfer all employee contributions associated with that prior service, even if those contributions exceeded the amount of contributions made by EPS or TPS members during the same period of service. Under the bill, these employees need only transfer the amount of contributions made by EPS or TPS members. Any additional contributions will be refunded. The bill also changes the provisions regarding transfers from the EPS and TPS to other public systems in Maryland.

House Bill 420 (passed) clarifies that member transfers between comparable subsystems of the SRPS, such as the EPS and TPS, are not subject to Title 37 of the State Personnel and Pensions Article governing the transfer of employees among State and local pension systems in Maryland.

Purchase of Service Credit in Employees' Pension System

To assist State employees who were employed for periods with the State but receive no pension credit for that service, **House Bill 349 (passed)** reduces by one-half the amount that a State employee member of the Employees' Pension

System (EPS) must pay to the State Retirement and Pension System (SRPS) when purchasing service credit for previous employment with the State, including contractual service. Currently, State employees may purchase up to ten years of service for prior service in a variety of contexts, including State employment; however, the member must pay the full actuarial cost. This cost is often prohibitively high, and little credit is actually purchased because of the high cost. The bill requires payment of one-half of the full actuarial cost for up to ten years of service. State pension liabilities are estimated to increase by \$33 million, resulting in increased employer pension contributions of \$2.2 million in fiscal 2002 as a result of reducing purchase-of-service costs, increasing 5% per year thereafter based on actuarial assumptions.

Administrative and Operational Expenses

House Bill 419 (passed) increases the maximum spending authority for administrative and operational expenses of the State Retirement and Pension System of Maryland (SRPS) and the State Retirement Agency, by expanding the base upon which the spending limit is calculated. Spending authority is increased by approximately \$6 million; any additional expenditures, however, would require an appropriation.

Contributing Employees' and Teachers' Benefits

To fill some statutory gaps in the Employees' Pension System (EPS) and the Teachers' Pension System (TPS) following the 1998 pension enhancement (Chapter 530 of 1998), *House Bill 421 (passed)* adds the following provisions:

- Membership in the contributory EPS and TPS continues for four years after separation from employment unless the member withdraws his or her accumulated contributions, becomes a retiree, or dies. There are currently no break-in-service provisions for the contributory EPS and TPS.
- On the withdrawal of accumulated contributions by former members of the contributory EPS or TPS, the former members are not entitled to further benefits on account of membership in the systems. These former contributory EPS or TPS members, however, can redeposit withdrawn member contributions (plus interest) and repurchase previously forfeited service. There are currently no provisions in EPS or TPS for redeposit of contributions.
- Members of the contributory EPS or TPS receive eligibility service credit for prior service if: (1) the member was entitled to a vested EPS or TPS benefit at the time of separation from the first stretch of employment; (2) the member has either not withdrawn his or her contributions or has redeposited those contributions; and (3) the member works for at least one year during the second period of employment.
- Members of the contributory EPS or TPS receive eligibility service credit for prior service if: (1) the member separated from the first period of employment on or before June 30, 1998; (2) the member was not entitled to a vested benefit from the EPS or TPS at the time of separation; and (3) the member works for at least one year during the second period of employment. Currently, former vested service earned prior to July 1, 1998 (the date of enactment of the pension enhancement) cannot be combined with current pension service if the member was not a member on that date. The prior service is calculated using the pre-enhancement formula.

Pension liabilities are estimated to increase by \$16.7 million as a result of

House Bill 421 (primarily as a result of granting the enhanced pension benefit to returning former vested members), resulting in increased employer pension contributions of \$1.1 million in fiscal 2002, and increasing in future years based on actuarial assumptions.

Rules for New Participating Governmental Units

House Bill 423 (passed) modifies the rules governing the entry of a participating local government into the "municipal pool" of the SRPS so that the pension liabilities associated with existing retirees and former vested members of the local governmental unit will not be transferred to the SRPS. (Only assets and liabilities associated with active employees transferring to the SRPS will be transferred). The local government is given the option to continue to

operate a local pension system to provide benefits to retirees, former vested members, and those active employees who do not elect to join the SRPS.

Correctional Officers' Retirement System

Members of the Correctional Officers' Retirement System (CORS) may receive eligibility service credit for service transferred from the Employees' Pension System (EPS) under *Senate Bill 618/House Bill 404 (both passed)* if the member was vested but the membership in the EPS was terminated as a result of being laid off for nondisciplinary reasons. The CORS member may transfer credit at the rate of six months for each year of EPS service.

Correctional officers have an unlimited period after an accident to apply for an accidental disability benefit under *House Bill 136 (passed)*. Previously, such an application was restricted to five years after the accident. The bill also requires the retirement agency to study the issue of infectious diseases, which may not always manifest themselves within the five-year limit for accidental disability applications that applies to the employees' and teachers' systems.

Pension Credit for Military Service

National Guard

Members of the State Retirement and Pension System (SRPS) are now eligible under certain conditions for four months of military service credit for each year of service with the Maryland National Guard under *Senate Bill 21/House Bill 897 (both passed)*. For participants in the SRPS (including participating governmental unit employees), the bills allow up to 36 months of military service credit for Maryland National Guard service. Because these employees are already eligible for service credit for active duty during their two-week training periods, the service granted under the bills applies to general annual participation in the National Guard during the member's employment with the participating employer, in addition to credit for active duty. The service granted under these bills therefore allow the Maryland National Guard member to receive 16 months of service in a year (12 months of normal service plus four months of military service). This pension credit would be in addition to any federal National Guard pension for which the member is eligible. Total military service credit toward State pensions, however, is limited to five years under current law, and the additional Guard service credit under the bills is subject to that limit. State pension liabilities will increase by an estimated \$5.6 million, resulting in increased annual State pension contributions of \$384,200 (all funds) beginning in fiscal 2002, assuming 210 members receive three additional years of service credit.

State Police Helicopter Pilots

House Bill 176 (passed) eliminates, in a limited circumstance, the prohibition against a member of the State Police Retirement System receiving military service credit in that system for prior military service if the member will also receive a federal military pension based on that service. Specifically, a member, former member, or retiree is exempt from the prohibition if the member was hired by the Department of State Police as an aviator to operate a helicopter for the State Emergency Medical System. The issue arose when the retirement system granted such military service credit despite the existing prohibition against it. The bill takes effect July 1, 2000, and applies retroactively to individuals hired by the Department of State Police on or after July 1, 1987. The bill terminates after July 31, 2000.

Participating and Withdrawn Governmental Units

With the passage of enhancement of the Employees' Pension System (EPS) in 1998 (Chapter 530 of 1998), more local governments in Maryland have expressed interest in participating in the EPS. *House Bill 1111 (passed)* includes the supportive service employees of the Kent County Board of Education in the EPS and

House Bill 1306 (passed) includes the employees of the Town of Oakland, Garrett County.

On the other hand, Prince George's County, the largest participating employer in the EPS, has expressed interest in leaving the State system and creating its own pension system. *Senate Bill 643/House Bill 1036 (both failed)* would have allowed the county, and any other participating employer, to leave the "municipal pool" under more favorable

terms than currently exist. The bills would have relieved the county of a "transition liability" that was imposed when the assets of the participating employers were pooled and would have allowed the county to cash out its share of the municipal pool's current actuarial surplus.

Several bills also dealt with employers who formerly participated in the State system but which have since withdrawn in order to operate their own plans. When the pension system was enhanced in 1998, the enhancement was not extended to employees of a withdrawn employer. *House Bill 509 (passed)* grants the enhanced benefits to employees of the Frederick County government who had remained in the EPS.

House Bill 362 (failed) would have increased the cost-of-living allowance (COLA) for members of the Employees' Pension System who are retirees of the University of Maryland Medical System (UMMS) (also a withdrawn employer) from a 3% simple COLA to a 3% compound COLA. *Senate Bill 571/House Bill 534 (both failed)* would have provided the pension enhancement to EPS members and retirees who are or were employed by UMMS. The bill also offered certain UMMS members an early retirement incentive similar to those offered to State employees in 1996 and other University of Maryland personnel in 1998.

Retiree Health Insurance

The State's pension system is approaching full actuarial funding, which means that the system's anticipated assets over the next twenty years almost equal accrued and future pension liabilities. The State's retiree health insurance subsidy, on the other hand, is funded on a pay-as-you-go basis, rather than an actuarial basis. This means that the State is collecting only enough to fund this year's health care obligations. Because of the demographics of State workers, however, these health care costs are expected to rise as "baby boomer" employees begin to retire. To address this issue, *Senate Bill 583 (failed)* would have required the State to contribute funds to a newly created Postretirement Health Funding System. Such contributions would have only been required in years that State pension contributions were in decline, so that the total cost to the State would never rise. The Senate Budget and Taxation Committee referred the bill, and the larger issue of funding for the retiree health insurance subsidy, to summer study by the Joint Committee on Pensions.

Optional Retirement Program

House Bill 224 (failed) would have increased the State's contribution to the Optional Retirement Program (ORP) for faculty members at the State's higher education institutions. The bill was originally introduced as a departmental bill by the University System of Maryland for its faculty but was amended to include other State universities and community colleges. The bill would have increased the employer contribution from 7.25% of salary to 9.25% of salary and instituted a mandatory 2% employee contribution.

Other Pension Legislation

House Bill 812 (failed) would have imposed a penalty on the retirement agency if it provided a benefit estimate that was incorrect by more than 1%. The issue of the accuracy of benefit estimates was referred to summer study. *House Bill 1307 (passed)* allows the Northeast Maryland Waste Disposal Authority to participate in the deferred compensation matching program at its own expense. *House Bill 908 (failed)* would have increased the pensions of associate judges and the chief judge of the Baltimore City Orphans' Court. The maximum pension for an associate judge would have increased from \$15,000 per year to \$25,000 per year and the maximum pension for the chief judge would have increased from \$15,250 per year to \$30,000 per year.

General Assembly

Legislative Rules and Procedures

Rules Changes

Early in the 2000 session, the Senate adopted rules that altered the membership of the Budget and Taxation Committee

from 13 to 14 and the Judicial Proceedings Committee from 11 to 10. Another rule that was adopted authorized the President of the Senate to appoint a President Pro Tem Emeritus. The Senate also adopted several technical changes to the rules, most of which reflected nomenclature changes relating to the Department of Legislative Services. Both the Senate and the House adopted rules to allow the expansion of the conference committees on the operating and capital budgets from three senators and three delegates to up to five senators and five delegates for each of those conference committees. The Ethics Rules, which had previously only duplicated the ethics statute, were revised in accordance with the omnibus ethics enactment of the 1999 session.

Procedures

Legislators' District Office Allowances: House Bill 269 (failed) would have changed current procedures to allow members of the General Assembly to charge to their district office accounts the cost of mailings, including newsletters and questionnaires, to constituents and community organizations, as long as the mailings were connected to legislative business, were not printed on campaign stationery, and did not solicit campaign contributions.

False Testimony Before Committees: Senate Bill 88 (failed) was a reintroduction of legislation introduced for a number of years that would prohibit a person from making a false statement, concealing a material fact, or making a false representation in a recorded proceeding to a committee or other unit of the Legislative Branch of State government. A violation of the provisions of the bill would have been a misdemeanor subject to a fine of \$1,000 or up to one year in prison. The bill was limited to hearings or proceedings that are required to be recorded by the rules of the Senate and House. The Senate has been audio tape recording its committee hearings for many years, while committee hearings in the House are not recorded.

Legislative Redistricting

The General Assembly will address legislative redistricting and Congressional reapportionment in the 2002 session. However, during the 2000 session, **House Bill 268 (failed)** would have required that, to the extent practicable, each legislative district be wholly contained within a county. The measure would have also required that, if a legislative district were configured so that the majority of its population resides in one county and the remaining portion of its population resides in another county, the legislative district had to be subdivided into delegate districts in a manner to provide that the lesser population would be contained within a single-member district.

Program Evaluation Act (Sunset Review)

Over 20 years ago, the General Assembly created the Program Evaluation Act, popularly known as Sunset Review. The Act has become institutionalized as part of the legislature's oversight function with respect to the operation of a large number of regulatory boards and commissions under various departments in the Executive Branch of State government. The Department of Legislative Services (DLS) is charged by law to undertake the periodic evaluation of the boards and commission subject to the Act and report its findings and recommendations to the General Assembly. The Act requires affirmative action taken by the legislature to continue the existence of the boards and commissions subject to review and evaluation. Without that action, the agencies subject to the Act will terminate ("sunset"). In some cases, DLS will recommend that some regulatory entities be excused from a full evaluation. In other cases, full evaluations will be undertaken by DLS, and those evaluations will be accompanied by legislative proposals to address matters raised in the evaluations.

During the 2000 session, the General Assembly took action on the following boards and commissions that had been the subject of some level of sunset review activity during the 1999 interim:

- Athletic Commission - Termination date extended ten years; commission required to report on specified items in 2001 - **Senate Bill 363/House Bill 580 (both passed)**
- Chiropractic Examiners - Termination date extended ten years - **Senate Bill 573/House Bill 575 (both passed)**
- Collection Agency Licensing Board - Termination date extended ten years - **Senate Bill 575/House Bill 574 (both passed)**

- Home Improvement Commission - Termination date extended ten years; limitation on recovery from the Home Improvement Guaranty Fund increased; commission to report on status of certain actions in 2001 - *Senate Bill 362/House Bill 581 (both passed)*
- Horse Industry Board - Termination dated extended five years; reporting requirements of the board expanded - *Senate Bill 369/House Bill 299 (both passed)*
- Physical Therapy Examiners - Termination date extended ten years - *Senate Bill 572/House Bill 576 (both passed)*
- Podiatric Medical Examiners - Termination date extended ten years - *Senate Bill 574/House Bill 573 (both passed)*
- Racing Commission (and the Maryland bred fund and standardbred fund advisory committees) - Termination dates extended ten years; commission required to inspect satellite simulcast facilities at least four times each year - *Senate Bill 368 (passed)*
- Tobacco Authority - Termination date extended by five years; authority is required to report annually to the General Assembly on the status of tobacco growing in Maryland - *Senate Bill 364/House Bill 353 (both passed)*

The General Assembly also reorganized the boards and commissions subject to the Program Evaluation Act in alphabetical order to facilitate future changes to provisions of the Act. (See *Senate Bill 585/House Bill 966 (both passed)*.) In addition, the bills corrected certain evaluation dates, agency names, and title references and conformed the Act to current practice by changing the date for the Legislative Policy Committee of the General Assembly to take action on preliminary evaluations.

New Task Forces and Study Groups

The number of new task forces, commissions, and study groups of limited duration created by bills and joint resolutions during the 2000 session was higher than usual. Most of them are discussed under the appropriate subject-area parts of this *90 Day Report*. The new task forces and study groups are:

- Agricultural Land Preservation Foundation, Task Force to Study the - *House Bill 740 (passed)*
- Montgomery County School Board Composition Task Force - *House Bill 803 (passed)*
- Environmental Effects of Methyl Tertiary-Butyl Ether (MTBE), Task Force on the - *House Bill 823 (passed)*
- Resource Based Industry in Maryland, Task Force on - *House Bill 933/Senate Bill 446 (both passed)*
- Prince George's County Transfer Tax Rate, Task Force on - *House Bill 1004 (passed)*
- Maryland Enterprise Zone Program, Task Force to Study the - *House Bill 1208 (passed)*
- Health Care Needs of Inmates in Transition from Correctional Institutions, Task Force to Study the - *House Bill 1232 (passed)*
- Transit Policy Panel - *House Bill 1248/Senate Bill 811 (both passed)*
- Early Child Care and Education, Judith P. Hoyer Blue Ribbon Commission on the Financing of - *House Bill 1284/Senate Bill 869 (both passed)*
- Matthew Henson Memorial, Task Force to Study Establishing - *House Joint Resolution 15 (passed)*
- Crisis in Nursing, Statewide Commission on the - *Senate Bill 311 (passed)*

- Attention Deficit Disorder, Advisory Council on - *Senate Bill 742/House Bill 694 (both passed)*
- Slavery's History and Legacy in Maryland, Commission to Coordinate the Study, Commemoration, and Impact of - *Senate Bill 854 (passed)*
- Southern Maryland - Hughesville-Lexington Park Railway Corridor Commission - *Senate Joint Resolution 8 (passed)*

Legislation - Single Subject Rule

The Annual Curative Bill

Each year, the Department of Legislative Services prepares the annual "curative bill" that is intended to cure technical defects in legislation generally resulting from title/body conflicts in legislation. Many of these defects are identified by the office of the Assistant Attorney General who serves as counsel to the General Assembly. One of the objectives of the curative bill, an omnibus bill first developed in 1984, is to serve as a mechanism to protect the legislative process by reducing the potential of legal challenges to the validity of statutes based on technical defects in those statutes.

The annual curative bill for the 2000 session - *Senate Bill 158 (passed)* and signed into law as Chapter 1 of the Acts of 2000 - contains several components addressing title/body conflicts that arose in 1999 legislation and identified as such in bill review letters prepared by the Attorney General's Office. The bill also contained a provision addressing a *potential* single-subject issue arising from an enactment in 1998 that dealt with corporation law. The provision was included in *Senate Bill 158* at the recommendation of the Attorney General's Office.

During the 2000 session, the Court of Appeals of Maryland ruled (in the case of a *Migdal v. State of Maryland*) that the 1998 enactment violated the single subject rule of the Constitution of Maryland.

The *Migdal* decision was controversial in the General Assembly for two reasons. First, the legislature has long been advised by the Attorney General's Office that Maryland courts broadly interpret the single subject rule. The 1998 legislation that was the subject of the *Migdal* case had been reviewed by the Attorney General's Office during and after the 1998 session and had not raised any concerns about it being violative of the single subject rule. Second, the Court of Appeals dedicated much of its opinion to the legislative process in the waning days of the 1998 session and took considerable interest in the long-standing procedures involving the amendment of bills in the General Assembly. The result of the *Migdal* decision gave rise to concerns that the Court of Appeals decision had a chilling effect on the legislature's flexibility to amend legislation affecting important public policy decisions that General Assembly faces within the time constraints of the annual session.

To address their concerns, legislative leaders introduced legislation that would have amended the Constitution of Maryland to revise the single subject rule in a way to preserve the ability of the General Assembly to amend legislation rule in the manner generally thought to be available to the legislature prior to *Migdal*. *Senate Bill 904/House Bill 1436 (both failed)* garnered considerable attention because of the focus they helped place on the relationship between the legislative and judicial branches during the 2000 session.

The Annual Corrective Bill

The annual "corrective bill" - *Senate Bill 159 (passed)* - is also prepared by the Department of Legislative Services. Like the curative bill, it is an omnibus bill, but it corrects numerous technical, spelling, and similar mistakes to codified provisions throughout the Annotated Code. The corrective bill is based on suggestions for corrections from a variety of sources, primarily the publishers of the Code (Lexis Law Publishers in Charlottesville, Virginia, formerly known as the Michie Company), the proofreading staff of the Department of Legislative Services, the Attorney General's Office, and other users of the Annotated Code. The corrective bill contains drafters' notes explaining the origin of the errors and what they were. There is a provision at the end of the bill that states legislative intent that nothing in the bill is intended to have a substantive impact.

Legislation - Retroactive Application

Beyond the *Migdal* case, the Court of Appeals rulings in other cases this session produced legislation to address the General Assembly's concerns about the court's holdings. One of the areas dealt with by the court was late fees on contracts, while another dealt with subrogation rights of health maintenance organizations. ***Senate Bill 145 (passed)***, which responded to the court decision on late fees, is discussed in the Commercial Law subpart of Part I - Financial Institutions, Commercial Law, and Corporations of this *90 Day Report*. ***Senate Bill 903 (passed)***, which responded to the court decision on subrogation rights of health maintenance organizations, is discussed in the Health Maintenance Organization subpart of Part J - Health of this *90 Day Report*. Both bills contained retroactivity provisions. While the Constitution of Maryland has no specific prohibition against retroactive civil laws (there are specific prohibitions on retroactive or ex post facto criminal laws), statutes affecting substantive rights are generally presumed to operate only prospectively. A law passed by the General Assembly that retroactively affects "vested" rights or impairs a contract may be held to violate the due process or impairment of contract provisions of the United States Constitution.

Interest in addressing concerns about retroactive provisions in legislation was expressed by ***Senate Bill 905 (failed)***. The bill, a constitutional amendment, would have prohibited the passage of retroactive civil laws except upon a two-thirds vote of all the members elected to each of the two houses of the General Assembly.

Part D

Local Government

Local Government - Generally

Land Use and Zoning

Article 66B Study Commission

A study commission examining the zoning and planning article (Article 66B of the Code) recommended the introduction of two legislative proposals, both of which were introduced as cross-filed bills. The first proposal, *Senate Bill 624/House Bill 889 (both passed)*, revises, restates, and recodifies the article without making any substantive changes. The recodification provides consistent and updated terminology, removes legalese, and reorders provisions in the article into a more organized format.

The second proposal, *Senate Bill 523/House Bill 904 (both passed)*, amends provisions of the zoning and planning article that apply to counties operating under the commissioner and code forms of county government. The bills grant counties the authority to make administrative adjustments to specific provisions in local zoning ordinances. Before developing criteria for administrative adjustments, a local legislative body must consult with the planning commission and the board of appeals, and must provide public notice and an opportunity for the public to review and comment on the criteria. Administrative adjustments may not be made to State or local requirements that are intended to protect environmentally sensitive areas. *Senate Bill 523/House Bill 904* also authorize local governments to grant adaptive reuses for improved properties. An adaptive reuse must be consistent with the plan for the local jurisdiction, must be in the public interest, and may only be permitted if the literal enforcement of the applicable zoning classification would deprive the owner of all reasonable economically viable uses of the property. The bills also modify the permissible membership of boards of appeal, requiring a minimum membership of three members in lieu of requiring either three or five members. *Senate Bill 523/House Bill 904* also make numerous changes pertaining to administrative procedures relating to local land use decisions.

Public Facilities

House Bill 1206 (passed) also amends the zoning and planning article. The bill, which seeks to ensure that adequate public facilities and infrastructure are available or planned in planned growth areas under control of the respective local government, is described more fully in Part K - Natural Resources and Agriculture of this *90 Day Report*.

Charles County Planning Commission

The United States 301 Policy Oversight Committee (POC), established by the Maryland Department of Transportation, adopted recommendations designed to protect future transportation corridors and rights-of-way. State and local agencies are taking steps to protect future transportation corridors; however, the POC concluded that additional measures need to be put in place to strengthen the agencies' ability to protect these rights-of-way. *Senate Bill 893 (passed)* authorizes the Charles County Planning Commission to provide for the reservation of land for traffic, recreation, or other public purposes. A reservation of land may not continue for more than three years without the written approval of all persons having a legal or equitable interest in the property. Property reserved for public use shall be exempt from State, county, and local property taxes. Further, *Senate Bill 893* requires that regulations of the Charles County Planning Commission provide for public notice and an opportunity for a public hearing before a property may be reserved.

Recordation Tax

House Bill 792 (passed) is enabling legislation that allows the county tax collectors, rather than the clerks of the circuit courts, to collect the recordation tax beginning in fiscal 2001. In fiscal 2001 only, if a county other than Prince

George's assumes responsibility for collection of the recordation tax, the county must remit to the State Comptroller the applicable percentage that the State would have otherwise received under § 2-213 of the Courts and Judicial Proceedings Article had the clerk of the court collected the tax. For a more detailed discussion of this bill, see Part B - Taxes of this *90 Day Report*.

Select Legislation of Local Interest

Circuit Court Funding

Most of the funding for circuit court masters is provided by the counties and Baltimore City. *House Bill 913 (passed)* requires the State, beginning in fiscal 2002, to pay the salaries and benefits of standing circuit court masters and increases the State contribution to juror per diem expenses from \$5 to \$15. For a more detailed discussion of this bill, see Part F - Courts and Civil Proceedings of this *90 Day Report*.

Smart Codes

Two administration bills, *Senate Bill 207/House Bill 284 (both passed)* provide for the adoption of a new Maryland Building Rehabilitation Code, under the advisement of a new code advisory council. Another administration bill, *House Bill 285 (passed)*, requires the Maryland Office of Planning to draft model land codes for infill development and smart neighborhood development. For a more detailed discussion of this bill, see Part C - State Government of this *90 Day Report*.

Additional State Education Aid: Senate Bill 810/House Bill 1247 (both passed) provide significant additional funding to county governments for public school teacher salary increases, academic intervention, and other educational programs. For a more detailed discussion of this legislation, see Part L - Education of this *90 Day Report*.

Prevailing Wages for School Construction: Senate Bill 202 (passed) requires that the prevailing wage law apply to school construction projects of \$500,000 or more, if 50 percent or more of the project is funded by the State. For a more detailed discussion of this bill, see Part C - State Government of this *90 Day Report*.

Municipal Governments

Nuisance Abatement

Senate Bill 451 (passed) authorizes a municipal corporation within whose boundaries a property is being used for specified offenses involving controlled dangerous substances to bring a nuisance abatement action in the District Court. Under current law, the nuisance action may be brought by the State's Attorney, by the county attorney of the county in which the nuisance is located, or by a qualifying community association within whose boundaries the nuisance is located. *Senate Bill 451* adds a municipal corporation to the plaintiffs authorized to file an action for abatement of the nuisance.

Audit Requirements

Senate Bill 503/House Bill 1181 (both passed) allow the Legislative Auditor to authorize a municipal corporation or special taxing district with annual revenues of less than \$50,000 in the past four fiscal years to have an audit conducted once every four years rather than on a biennial basis. Under current law, the biennial audit must cover both fiscal years and must be conducted by an independent certified public accountant (CPA). Since independent CPAs charge for each year audited, the municipal corporations have not saved money under the current statutory schedule. *Senate Bill 503/House Bill 1181* are intended to lower expenditures for municipal corporations since they will have to pay for an audit only once every four years. The bills apply effective fiscal 2001. It is anticipated that 17 municipal corporations and special tax districts could qualify under provisions of the bills.

Maryland Municipal League Program

The goal of the Maryland Municipal League (MML) 2000 legislative program was to promote development and redevelopment in Maryland's cities and towns by making necessary tools available to municipal governments while preserving local government independence and authority. In keeping with this program, MML supported the following bills.

Smart Codes

Senate Bill 207/House Bill 284 (both passed) and *House Bill 285 (passed)* relate to the next phase of the Governor's Smart Growth Initiative -- "Smart Codes."

Senate Bill 207/House Bill 284 create a 27-member Maryland Building Rehabilitation Code Advisory Council and require the Department of Housing and Community Development to work with the Advisory Council, the Department of Labor, Licensing, and Regulation, and the State Fire Marshal in adopting, by regulation, a Maryland Building Rehabilitation Code (MBRC) modeled on the Nationally Applicable Recommended Rehabilitation Provisions. The purpose of the MBRC is to encourage and facilitate the rehabilitation of buildings by reducing the costs and constraints of existing procedures and standards. For a detailed discussion of this topic, see the State Agencies, Offices and Officials heading of Part C - State Government of this *90 Day Report*.

House Bill 285 requires the Maryland Office of Planning to develop model land-use codes for infill development and smart neighborhood development and to draft guidelines to provide local governments with information on innovative planning and implementation techniques to encourage such development within priority funding areas. Additionally, the bill directs the Office of Planning to work with local governments and State agencies to develop incentives to encourage local governments to voluntarily adopt and implement the models and guidelines that are developed under the bill. For a detailed discussion of this topic, see the State Agencies, Offices and Officials heading of Part C - State Government of this *90 Day Report*.

Tax Credits

Senate Bill 507/House Bill 830 (both passed) authorize the Mayor and City Council of Baltimore City or the governing body of a county or a municipal corporation to grant a property tax credit for commercial or residential real property that is rehabilitated under regulations adopted by the governing body. The tax credit may not extend beyond ten years after the rehabilitation is completed and may not exceed the tax increase attributable to the increased assessment resulting from the rehabilitation. For a detailed discussion of this topic, see the Property Tax heading of Part B - Taxes of this *90 Day Report*.

Land Use

Other MML priorities during the 2000 session included substantive and nonsubstantive legislation affecting land-use regulation under Article 66B of the Annotated Code of Maryland. These bills are addressed under the "Local Government - Generally" heading of this Part D - Local Government.

Bi-County Agencies

While the General Assembly considered numerous bills concerning the bi-county agencies during the 2000 session, only two measures, dealing with the Washington Suburban Sanitary Commission (WSSC), passed.

Washington Suburban Sanitary Commission

Water and Sewer Main Extensions -- Private Development

The overall schedule for system development by the WSSC and the need for water and sewer service for a particular private development do not always coincide. In order to allow permitted development to move forward while minimizing the costs of delay, *House Bill 689 (passed)* authorizes a private developer to build sewer line extensions of up to 2,000 feet that are necessary to serve the development, or similarly necessary major projects that are included in

the WSSC Capital Improvement Program. This authorization currently exists for small segments of water lines. These privately built facilities must still meet WSSC standards. The WSSC inspects and oversees the construction of the facility, and assumes ownership on completion. **House Bill 689** also makes conforming changes to the scope of major projects included in the Capital Improvement Program, by excluding local water and sewer main extensions of 2,000 feet or less.

WSSC Infractions -- Utility Construction Permits

Under current law, the failure to abide by WSSC public utility construction regulations, primarily involving excavation, is a misdemeanor punishable by a fine of up to \$1,000 and imprisonment not exceeding 30 days. However, there has been no lesser penalty for failure to obtain a permit from the WSSC for that construction. **House Bill 690 (passed)** institutes a civil infraction for failure to obtain a WSSC public utility construction permit. The infraction is subject to a civil fine of \$250 for a first violation, \$500 for a second violation, \$750 for a third violation, and \$1,000 for any subsequent violation. The civil fines are payable to the WSSC. **House Bill 690** also explicitly authorizes the WSSC to adopt regulations governing permits required for public utility construction.

Minority Business Enterprise Programs and Nondiscrimination

Two bills dealing with minority business enterprises and nondiscrimination policies were considered during this legislative session, but neither passed.

House Bill 696 (failed) would have required the WSSC to report each year to the Senate and House delegations from Prince George's County and Montgomery County on the implementation and administration of its minority business enterprise program for construction. A similar requirement currently exists for minority business enterprise programs for other procurement areas.

House Bill 691 (failed), a reintroduction from the 1999 session, would have prohibited the WSSC from discriminating against a person based on sex, race, creed, color, age, mental or physical handicap, sexual orientation, or national origin. The bill would also have required WSSC construction and design/build contracts, and incorporated subcontracts, to include a nondiscrimination provision.

Privatization and Ancillary Services Transfer

As a result of the final report of the Task Force on Privatization of the Washington Suburban Sanitary Commission in late 1999, the Prince George's County and Montgomery County House delegations considered several unsuccessful proposals to alter the fundamental structure of the WSSC and the provision of water and sewer services in the two counties. In line with the underlying recommendation of all of the options presented by the task force, **House Bill 1012 (failed)** would have transferred to the county governments the ancillary services that the WSSC performs in the areas of permitting for water and sewer services, plumbing inspection and permitting, gasfitting regulation, and sewer cleaning regulation. The bill would have required plumbers in the Sanitary District to be licensed by the State Board of Plumbing.

Two other proposals for privatization were introduced. **House Bill 692 (failed)** would have required the WSSC to sell its assets, resulting in complete privatization. **House Bill 1011 (failed)** would have established two committees, one to study ancillary services transfer options, and one to study further privatization options. Another privatization option, contract management of WSSC water and sewer facilities, was discussed in the context of these two bills, but did not succeed this session.

Maryland-National Capital Park and Planning Commission

In the area of labor relations, **House Bill 712 (failed)** would have required the MNCPPC to implement binding arbitration for its employees who are currently represented by a bargaining unit, other than law enforcement employees. Existing law allows collective bargaining and mediation for these employees, but not binding arbitration.

Part E

Crimes, Corrections, and Public Safety

Criminal Law

Committee to Revise Article 27

The Committee to Revise Article 27 was appointed by the President and the Speaker in 1991. Unlike the code revision committees that make only stylistic revisions to the Code, the Article 27 Committee is charged with revising both substantively and stylistically the State's criminal law. During the 2000 session, the committee undertook the subjects of robbery, health plan fraud, and accessories before the fact (which is discussed in the Criminal Procedure subpart of Part E - Crimes, Corrections, and Public Safety of *The 90 Day Report*).

Robbery Revision

Senate Bill 591/House Bill 647 (both passed) repeal existing provisions dealing with penalties and charging documents for the common law offenses of robbery and robbery with a dangerous or deadly weapon. The bills establish new provisions that describe various elements of the offense of robbery while maintaining robbery's judicially determined (case law) meaning. The revision adds definitions of "deprive," "property," "services," and "obtain" taken from the definitions in the theft subheading. In effect, this means that anything for which a theft prosecution can be brought will be the subject of a robbery prosecution if the theft is accompanied by force or threat of force. The bills establish the following offenses and penalties:

- Robbery or attempted robbery (which retains its judicially determined meaning, except that a robbery conviction requires proof of intent to deprive (i.e., the intent need not be to deprive permanently) another of property) is prohibited. Robbery also includes obtaining the service of another by force or threat of force.
- Robbery or attempted robbery is a felony subject to imprisonment not exceeding 15 years.
- Robbery or attempted robbery with a dangerous or deadly weapon is prohibited and is a felony subject to imprisonment not exceeding 20 years.

The bills also increase the threshold in the value of property or services involved in theft-related and other offenses from \$300 to \$500 for purposes of the distinction between lesser and greater offenses. These offenses include theft, extortion, malicious destruction of property, bad checks, and credit card fraud.

Health Plan Fraud

The Committee to Revise Article 27 also sponsored *Senate Bill 322/House Bill 354 (both passed)* which revise, restate, consolidate, and expand the law concerning State health plan fraud. The bills repeal current provisions of law in Article 27 and the Health - General Article that prohibit Medicaid fraud, and then add to Article 27 several new sections that prohibit fraud against any State health plan, which includes Medicaid fraud. The prohibitions apply both to recipients and health care providers.

Among many other provisions, the bills also alter and clarify current law regarding welfare fraud. Provisions include prohibitions against false statements on welfare benefit applications, knowingly and willfully defrauding a State health plan, converting benefits or payments to others, making or receiving bribes, kickbacks, or rebates of fees, and fraud involving possession of drugs, medical care, or pharmacy cards.

Criminal penalties range from a felony with a maximum \$200,000 fine or life imprisonment or both if a death results from the violation to a misdemeanor with a maximum fine of \$50,000 or imprisonment for three years or both for the least serious violations. The bills also provide for treble civil damages for State health plan fraud. These provisions are

based on current law in the Health - General Article.

Accessory Before the Fact

The third bill arising from the committee, *Senate Bill 323/House Bill 167 (both passed)*, abrogating the distinction between an accessory before the fact and a principal in a crime, except for death penalty proceedings, is discussed under the Criminal Procedure subpart of Part E - Crimes, Corrections, and Public Safety of *The 90 Day Report*.

Controlled Dangerous Substances

Drug - Induced Conduct

House Bill 180 (passed) makes it a misdemeanor for a person to administer a controlled dangerous substance to another person without that person's knowledge and committing a crime of violence or a third degree sexual offense against that person. Violators are subject to maximum penalties of a fine of \$2,500 and imprisonment for one year, which may be imposed separate from and consecutive to or concurrent with a sentence for any offense based on the act or acts establishing the violation.

Schedules

Current Maryland law, which mirrors federal law, places drugs into schedules numbered one through five, depending on the drugs potential for abuse, potential for addiction, and medical value. Schedule I substances have no legitimate uses, while Schedules II through V are legal with certain restrictions. The lower the schedule number, the greater are the restrictions (i.e., Schedule II has the most restrictions, Schedule V the least).

House Bill 181 (passed) adds dronabinol (synthetic) in sesame oil and encapsulated in a soft gelatin capsule, and ketamine, its salts, isomers, and salts of isomers, to the list of Schedule III controlled dangerous substances.

Synthetic dronabinol is used for the treatment of nausea and vomiting associated with cancer chemotherapy. Prior to 1999 it was a Schedule II drug under the federal schedule. In 1999 it was moved to Schedule III, which will subject the prescription of the drug to fewer restrictions. This change will make Maryland law consistent with federal law.

Ketamine is used as a "party drug" primarily by teenagers and young adults, known as "Special K" or "K." In 1999 it was added to Schedule III of the federal Controlled Substances Act. The drug is marketed in the U.S. as a general anesthetic for use in human medicine and also as a veterinary drug.

Enhanced Sentences for Repeat Drug Offenses

Senate Bill 345/House Bill 915 (both passed) make a sentence on a single count of various drug trafficking offenses subject to both doubling and minimum mandatory sentence enhancements for certain controlled dangerous substance offenses.

Specifically, the bills provide that a court may impose enhanced penalties for drug trafficking offenses that allow a sentencing judge to double the maximum penalty if the offense is a second or subsequent offense and also to impose a mandatory minimum sentence for the offense.

Marijuana Use

House Bill 308 (failed) would have allowed a person with a "debilitating medical condition" and with written medical documentation to engage in the medical use of marijuana and possess and use marijuana and related drug paraphernalia. The bill also would have provided the circumstances under which a caregiver for such a person is extended certain immunities and defenses for possessing, cultivating, distributing, transporting, or administering marijuana for medical use. The bill would have allowed physicians to recommend marijuana, and would have provided a certain immunity to physicians with eligible patients.

Computer Crimes

Computer Piracy

In November 1999, the Maryland Information Technology Board (ITB) reported that recent enhancements in computer hardware and software have resulted in an increase in computer-related crime. As a result, computer intrusion cases have increased. Based on recommendations from the ITB report, *Senate Bill 200/House Bill 278 (both passed)* establish an enhanced penalty for offenses relating to: (1) willful and unauthorized access to computer programs or networks to cause malfunctions or to alter or destroy data or other computer programs, or (2) willful and unauthorized possession, identification, or distribution of valid computer access codes.

Under *Senate Bill 200/House Bill 278*, if the aggregate amount of the loss caused by one of these offenses is \$10,000 or greater, the offender is guilty of a felony, and on conviction is subject to imprisonment not exceeding ten years, or a fine not exceeding \$10,000, or both. An offense causing an aggregate amount of loss of less than \$10,000 remains a misdemeanor subject to imprisonment not exceeding five years, or a fine not exceeding \$5,000, or both.

Senate Bill 200/House Bill 278 define "aggregate amount" to mean any direct loss incurred by a victim, including the value of money, property, or service lost, stolen, or rendered unrecoverable, or any actual reasonable expenditure incurred to test for damage or disruption to a computer system. The bill also alters the definition of "access" to mean to instruct, communicate with, store data in, retrieve, intercept data from, or otherwise use the resources of a computer program, computer system, or computer network.

Spam

The unauthorized sending of commercial electronic mail via computer (known as "spam") has been the subject of controversy. *Senate Bill 177 (failed)* would have established criminal and civil penalties for sending spam to another and falsifying or forging the electronic header information.

Project Exile

Modeled after a highly-publicized program in Richmond, Virginia, known as "Project Exile," which established an aggressively enforced program to impose mandatory minimum prison sentences for illegal firearms possession, *Senate Bill 303/House Bill 166 (both failed)* would have increased penalties, established minimum mandatory sentences, and would have prohibited parole for various firearm possession violations.

Similar provisions that provide for minimum mandatory sentences and prohibited parole for individuals previously convicted of a crime of violence or drug trafficking offenses and who illegally possess a firearm are included in *Senate Bill 211* (the Responsible Gun Safety Act of 2000) which is discussed in the Public Safety subpart of Part E - Crimes, Corrections, and Public Safety of *The 90 Day Report*.

Miscellaneous Criminal Law

Assisted Suicide

Chapter 700 of 1999 enacted the assisted suicide law. Under this law persons are prohibited from assisting another to commit suicide. Licensed health care professionals are given protection for administering medications and procedures in good faith, provided they do not have the intent to assist in a suicide.

House Bill 154 (passed) adds emergency medical service (EMS) providers to the list of medical professionals excluded from criminal liability under the assisted suicide statute. This bill will be retroactively applied to affect all potential criminal liability of emergency medical service providers arising from an incident occurring on or after October 1, 1999.

House Bill 946 (failed) would have applied the prohibitions of the assisted suicide law only to adults and not to juveniles.

Fugitives

The crime of harboring a fugitive is a misdemeanor and subjects violators to maximum penalties of a fine of \$1,000 and imprisonment for one year. Under current law, the definition of "fugitive" is an individual issued a felony warrant under Maryland law. *House Bill 324 (passed)* modifies the definition of "fugitive," as it pertains to crimes relating to harboring a fugitive, to apply to individuals for whose arrest a felony warrant has been issued, whether or not the warrant is issued under State law.

Human Remains

House Bill 358 (passed) establishes procedures by which a State's Attorney may authorize the removal of human remains from a burial site in the State's Attorney's jurisdiction. *House Bill 358* allows a State's Attorney with jurisdiction over a burial site to authorize in writing the removal of human remains from any burial site to ascertain the cause of death, determine whether the interment was erroneous, provide for reburial, or for medical or scientific study as allowed by law. Before the State's Attorney allows the removal, the person seeking removal must publish a notice in the newspaper.

The bill also increases the penalties for graveyard desecration from a maximum fine of \$5,000 and imprisonment up to three years to maximum penalties of a \$10,000 fine or five years in the penitentiary, or both. *House Bill 358* does not preclude the need for a Department of Health and Mental Hygiene permit to remove remains from a burial site.

Impersonating a Police Officer

House Bill 359 (passed) expands provisions prohibiting impersonation of a police officer to make the prohibition applicable to impersonating a member of a "police force of the United States." Current law prohibits impersonation of a member of a police force of the State, another state, or a county or municipal corporation. The bill expands the prohibition to include federal police officers. Violators of this provision are guilty of a misdemeanor and subject to maximum penalties of a fine of \$100 and imprisonment for six months.

Motor Vehicles - Selling of Vehicle with a Removed Identification Number

House Bill 638 (passed) creates an exception to the criminal prohibition for selling a manufactured product with a removed serial number by authorizing an insurance company or its agent to buy, receive, and possess a motor vehicle with the knowledge that the vehicle has had the required vehicle identification number (VIN) removed from the vehicle, if the vehicle is the subject of a total loss settlement.

Sexual Activity - Juvenile Justice Employees

Under current law, a correctional employee may not engage in a sexual act with an inmate at an adult correctional institution. A violator is guilty of a misdemeanor and is subject to a maximum fine of \$3,000 or a maximum term of imprisonment for three years or both. *Senate Bill 415 (passed)* similarly prohibits an employee of the Department of Juvenile Justice or licensee from engaging in a sexual act with an individual confined in a juvenile facility. A violator is guilty of a misdemeanor and is subject to the same penalties cited above.

Domestic Abuse Murder

Senate Bill 559 (failed) would have provided that murder committed in the perpetration of abuse against a spouse, former spouse, child, vulnerable adult, or any other person eligible for relief from domestic violence would be murder in the first degree, if the person committing the murder had engaged in a past pattern of abuse on the victim and the death occurred under circumstances that show an extreme indifference to human life.

Reports of Death and Disposal of Bodies

Two recent cases in the State involving persons failing to report the deaths of close relatives with whom they lived and

improperly disposing of the bodies prompted the legislation on this issue. *Senate Bill 13 (failed)* would have established criminal penalties for individuals who failed to report the death of individuals to whom they are related or with whom they reside. *House Bill 58 (failed)* as amended in the House would have prohibited the disposal of a body in places other than cemeteries, crematoria, or funeral establishments.

Homicide by Aggressive/Negligent Driving

Various bills were introduced during the 2000 legislative session attempting to deal with deaths caused by apparently negligent or so-called "aggressive" driving that does not rise to the level of gross negligence or wanton or reckless disregard for human life, which is required to establish the offense of manslaughter by motor vehicle.

Senate Bill 231 (failed) would have established the crime of homicide by negligent driving by causing the death of another by negligent operation of a motor vehicle. Penalties would have included a fine up to \$5,000 and imprisonment up to five years, and 12 points on the driver's license.

House Bill 417 (failed) would have established "homicide by aggressive driving" by causing the death of another by driving with a wanton or willful disregard for the safety of persons or property, or driving in a manner that indicates such disregard. That bill would have established a penalty of a fine up to \$5,000 and imprisonment up to three years, and 12 points on the driver's license.

Similarly, *Senate Bill 430 (failed)* would have created homicide by aggressive driving by committing two or more existing motor vehicle offenses and causing the death of another as a result of negligent driving of the motor vehicle, all during a single traffic incident. Penalties would have included a fine up to \$1,000 and imprisonment up to one year, and the assessment of 12 points on the driver's license.

Baltimore City Criminal Justice System

Events in Baltimore City involving dismissal of cases for lack of a timely trial, loss and destruction of evidence before trials, and a general lack of communication among the various entities involved in the criminal justice system have led to a series of legislative hearings and budgetary initiatives. These issues are discussed in detail in the Judges and Court Administration subpart of Part F - Courts and Civil Proceedings of *The 90 day Report*.

Criminal Procedure

Accessories Before the Fact

House Bill 167/Senate Bill 323 (both passed) abrogate the common law distinction between an "accessory before the fact" (a person who counsels or orders a crime, but is not present) and a "principal" (a participant in a crime who is present at its commission) in a crime. The bills were in response to the Court of Appeals decision in *State v. Sowell*, 353 Md. 713, 728 A.2d 712 (1999), which upheld the common law distinction, stating that it was in the General Assembly's prerogative to change it. The bills provide that except for death penalty proceedings, the distinction between an accessory before the fact and a principal is abrogated.

The bills establish that an accessory before the fact may be charged, tried and convicted, and sentenced as a principal. The bills also establish that an accessory before the fact may be charged, tried and convicted, and sentenced regardless of whether a principal in the crime has been charged, acquitted, or convicted of a lesser or different crime. In addition, the bills provide that an accessory before the fact may be charged, tried and convicted, and sentenced in any county where the act of accessoryship was committed or where a principal in the crime may be charged, tried and convicted, and sentenced.

The bills were proposed by the Committee to Revise Article 27. Additional bills recommended by the committee relating to revision of robbery and health plan fraud were also passed by the General Assembly, and are discussed in the subpart Criminal Law, Part E - Crimes, Corrections, and Public Safety.

Statute of Limitations - Abuse or Neglect of Vulnerable Adults

Senate Bill 651 (passed) increases, from one year to two years, the statute of limitations for instituting a prosecution for an offense under Article 27, § 35D of the Code relating to abuse or neglect of a vulnerable adult. Often, patterns or evidence of abuse require time to investigate and establish, and this increase in the statute of limitations will provide greater opportunity to pursue and prosecute these abuses.

Wiretapping

The General Assembly considered and rejected several proposals to expand the authority of law enforcement officials to intercept wire and oral communications and to introduce such communications into evidence under the Maryland Wiretap Act.

Perry Case

Two bills were introduced in response to the Court of Appeals opinion in *Perry v. State*, 356 Md. 37 (1999). In this case the Court of Appeals reversed the convictions of an alleged triple murderer based on the use at trial of a wiretap interception that, although legally intercepted in California, was inadmissible in Maryland.

House Bill 472 (failed), as passed by the House, would have amended the wiretap law to allow State courts, in certain circumstances, to receive into evidence intercepted wire or oral communications between co-conspirators in a crime of violence if the interception was legally made in another jurisdiction even though such an interception would be illegal in Maryland.

Senate Bill 665 (failed), as passed by the Senate, would have authorized the contents of an intercepted wire or oral communication to be received into evidence in any criminal proceeding, if the intercepted communication was intercepted by a nonlaw enforcement party to the communication or was intercepted in another jurisdiction, and the interception would not be excluded in a criminal proceeding in the other jurisdiction.

Firearms Violations

Senate Bill 305/House Bill 673 (both failed) would have authorized an investigative or law enforcement interception of a wire, oral, or electronic communication in order to provide evidence of the commission of offenses relating to the unlawful sale, purchase, transfer, or possession of a regulated firearm, where the person is a party to the communication or one of the parties has given prior consent to the interception.

Computer Crimes

House Bill 1000 (failed) was recommended by the Internet-Based Crime Committee of the Maryland Information Technology Board (ITB). The ITB is charged with, in part, making recommendations concerning Internet-based crime.

The bill would have added the unauthorized access to computers to the list of offenses for which an investigative or law enforcement officer may lawfully intercept certain communications under the wiretap law.

Time for Trial

House Bill 272 (failed) would have required that if a judge delays the start of a criminal trial after the statutorily-required 180 day deadline following the earlier of the appearance of counsel or the first appearance of the defendant, subsequent delays in the trial date could only be approved for good cause. The bill would have overturned a part of *State v. Brown*, 355 Md. 89, 733 A.2d 1044 (1999), which held that once a case is postponed beyond 180 days, further postponement does not need to be justified by good cause.

Representation at Bail Review Hearings

Senate Bill 138 (failed) would have required the Public Defender to provide legal representation to indigent defendants

during bail review hearings when a defendant has not been released on bail as set by a District Court commissioner.

The General Assembly appropriated \$300,000 in fiscal 2000 for a pilot project to provide representation to indigent clients during bail review hearings in Baltimore City. This bill would have required Public Defender representation throughout the State. This bill was contingent on the appropriation of money in the budget (\$1.1 million in fiscal 2001). The fiscal 2001 budget did not provide an appropriation for this matter.

Parole and Probation

Parole

House Bill 400 (failed) would have made an inmate serving a term of life imprisonment eligible for parole if: (1) the inmate served 35 years for first degree murder or 25 years for any other crime; and (2) all of the members of the Patuxent Institution Board of Review or the Maryland Parole Commission unanimously approved the parole.

Probation

In 1999, the Court of Appeals in *Bailey v. State*, 355 Md. 287 (1999) held that in the absence of statutory authority, a trial judge may not impose home detention or house arrest or other forms of what the court determined to be "confinement," as a condition of probation. The effect of this ruling was to prohibit the use of home detention as a condition of probation in all but the few counties in the State which have statutory authority to impose confinement as a term of probation.

Confinement as Condition of Probation: To meet the statutory language requirement, **Senate Bill 25/House Bill 81 (both failed)** would have established the authority for any court in the State to impose confinement as a condition of probation. The bills would have provided all the courts in the State with flexibility in imposing various forms of confinement, such as home detention, house arrest, and in-patient drug and alcohol treatment, as a condition of probation. The House of Delegates amended **House Bill 81** to provide a distinction between imprisonment and "custodial confinement" and placed restrictions on the length of probation, but the General Assembly was unable to reconcile the differences.

Howard County: Although the statewide measure failed, the General Assembly did grant courts in one additional jurisdiction the power to impose confinement as a condition of probation. **House Bill 223 (passed)** authorizes courts in Howard County to impose a sentence of confinement as a condition of probation before judgment.

Police and Criminal Records

Senate Bill 212/House Bill 483 (both passed) authorize the District Court to expunge police and court records of charges against a defendant if the State enters a nolle prosequi (*i.e.*, a dismissal) as to all charges in a criminal case if the defendant has not been served. The State, however, may prevent the expungement if it objects and shows cause why the records should not be expunged. The bills also prohibit the District Court from assessing costs against a defendant for expungement.

Death Penalty Moratorium

House Bill 388 (failed) would have prohibited an individual who has been sentenced to death from being executed before July 2003, contingent on the inclusion in the budget of funding for a two-year study of the death penalty to have been conducted by the Department of Criminology of the University of Maryland, College Park. Under the bill, the purpose of the two-year study would have been to identify any problems and to recommend solutions to address any problems with the administration of the death penalty, including whether there was any racial, ethnic, or economic bias.

Victims' Rights - Definition of "Victim"

Senate Bill 420/House Bill 586 (both passed) expand the definition of "victim" relating to provisions that grant a

victim the right to submit a victim impact statement at proceedings to decide whether a child charged as an adult should be transferred to juvenile court. The bills outline the various forms of notice to be given a victim under the victims' rights law. Under the bills, the defined term "victim" is broadened to include a family member or guardian of a victim, if the victim is deceased from any cause or suffering any disability.

Juvenile Law

Crisis at the Department of Juvenile Justice

News reports in December 1999 revealed that delinquent youths sent to three State boot camps in Western Maryland were beaten and abused. Reports also revealed that after boot camp attendees were sent back to their homes on supervised probation, little or no follow-up was provided by the Department of Juvenile Justice (department). Soon thereafter, the Governor and Lieutenant Governor removed five top officials of the department, including Secretary Gilberto de Jesus. The Governor and Lieutenant Governor also formed two task forces -- one to study the reported violence at the boot camps and the other to study aftercare issues. Following the report from the boot camp task force, the Governor and Lieutenant Governor ordered the boot camps to be closed. The aftercare task force made a series of recommendations which have been addressed in the fiscal 2001 budget, as discussed below.

This legislative session, advocates advanced a number of bills to provide oversight for and require changes in the Department of Juvenile Justice. Late in the session, however, many of the bills were defeated after the Governor urged the General Assembly to allow autonomy for the department's newly appointed Secretary, Bishop L. Robinson.

Employee Training

House Bill 1414 (passed) requires the Maryland Correctional Training Commission (MCTC) to develop and implement specific program design and appropriate course curriculum and training for employees of the Department of Juvenile Justice and entities under contract with the department. The legislation states the finding of the General Assembly that Department of Juvenile Justice employees should have specific and appropriate training for that population.

In addition, the legislation adds the Secretary of Juvenile Justice and an additional correctional officer or official of the State as members of the MCTC. At least one of the correctional officers or officials must be a Department of Juvenile Justice employee or official.

Approximately 1,400 employees will be subject to the training requirements under **House Bill 1414**.

Other Legislation

Senate Bill 821/House Bill 1082 (both failed) would have required the department to adopt various types of rules and regulations relating to standards of conduct for employees, required services and programs, standards for detention facilities, and standards for nonsecure alternatives to committed placement. **House Bill 1095 (failed)** would have limited the amount of time that a child may be accommodated in a detention facility to 15 days, except under certain circumstances. **House Bill 1087 (failed)** would have required the department to implement, within 15 days after the date of disposition, a "treatment service plan" for a child recommended by the department and adopted by the juvenile court. **House Bill 1088 (failed)** would have established a disciplinary and grievance advisory commission independent from the department to advise and inform the Secretary of Juvenile Justice and monitor the department. **House Bill 385 (failed)** would have created a three-year 15-member advisory council to monitor and identify the causes of any inequity that exists in processing or disposing of cases involving juvenile offenders on the basis of gender, race, family income, or handicapping conditions. **House Bill 1090 (failed)** would have required the Criminal Justice Information System (CJIS) central repository to disseminate certain information concerning a child charged as an adult to the Maryland Justice Analysis Center of the Institute of Criminal Justice and Criminology of the University of Maryland for study.

Budget Initiatives

The fiscal 2001 legislative appropriation for the Department of Juvenile Justice was \$157 million, which is \$21.2 million over the department's fiscal 2000 budget (15.6 percent). In addition, the fiscal 2001 budget includes a fiscal 2000 deficiency appropriation of \$6.4 million. This significant increase in funding was primarily a response to the serious and very public problems and the subsequent task forces' reviews discussed above. The major increases include:

- Improved training (\$459,000): mandated certified training through the Maryland Correctional Training Commission and increased training for all direct care staff;
- Enhanced oversight (\$738,000): additional program monitors, inspectors, independent monitors, and a new deputy secretary to oversee professional responsibility and accountability;
- Aftercare initiatives (\$1.75 million): additional staff for an intensive aftercare program targeted at youth in Baltimore City and Prince George's County released from the Youth Centers and the Hickey Enhanced Program and an additional pool of flexible funds for aftercare services;
- Sex offender programming at Hickey School (\$2.0 million including \$1.0 million fiscal 2000 deficiency): funds to cover the cost of the sex offender program operated at the Hickey School (this program was originally excluded from the new Hickey contract because the department hoped to open the program as a Residential Treatment Center (RTC). However, the facility is still awaiting accreditation as an RTC);
- Increased funding for residential per diem placements (\$8.2 million including \$2.3 million fiscal 2000 deficiency): additional funds for residential per diem placements because the department's policy of graduated sanctions has resulted in additional deep-end residential placements (per diem placements, originally budgeted at an annual Average Daily Population of 220 in fiscal 2000, were up to 362 at the end of the third quarter of fiscal 2000);
- Increased drug testing for youth on probation (\$500,000): funds for additional urinalysis to act as a deterrent for youth on probation as well as to screen youths not yet detected as substance abusers;
- Spotlight on Schools (\$726,000): further expansion of the Spotlight on Schools Program, which places probation officers in schools to interact directly with troubled youth;
- Program Evaluation (\$1.05 million): a variety of initiatives to add permanent research and program evaluation staff and also to use consultants to fully evaluate existing operating and capital programming in the department as well as develop new programming;
- Information Technology (\$2.6 million including \$2.1 million fiscal 2000 deficiency): costs associated with the development, maintenance, and management of the department's Automated Support System for Information and Services Tracking (ASSIST) and wide area network; and
- Improvements at the State-run facilities (\$2.1 million including \$754,000 fiscal 2000 deficiency): a variety of program initiatives aimed primarily at the Youth Centers, the Thomas J.S. Waxter Children's Center (improvements in its programming for girls), and the Alfred D. Noyes Children's Center.

Commission on Juvenile Justice Jurisdiction

Senate Bill 614 /House Bill 681 (both passed) extend the termination date for the Commission on Juvenile Justice Jurisdiction from September 30, 2000, to September 30, 2001. The commission must submit a supplemental report updating the results of its investigation and study, together with any resulting policy recommendations, to the Governor and the General Assembly by September 30, 2001.

The Commission on Juvenile Justice Jurisdiction is a 23-member commission formed in 1998 to study matters relating to juvenile court jurisdiction.

Peace Orders

Chapter 404 of 1999 created a new form of relief that authorizes the District Court of Maryland to issue a peace order to protect an individual who is not eligible for relief under the domestic violence statutes from being assaulted, harassed, stalked, or threatened by another individual.

In response to concerns raised as to the appropriateness of District Court jurisdiction over peace order petitions filed against juveniles, the General Assembly considered *Senate Bill 592/House Bill 675 (both passed)*, which transfer jurisdiction from the District Court to the juvenile court over peace order proceedings in which the respondent is under the age of 18 years. Pursuant to the legislation, peace order proceedings in juvenile court are similar to the current peace order proceedings in District Court, except that a juvenile intake officer or the State's Attorney institutes the peace order proceedings in court instead of the victim. In addition, violation of a peace order by a juvenile respondent is deemed a delinquent act, and a law enforcement officer is required to take the juvenile into custody if the officer has probable cause to believe that a violation has occurred.

Victim's Rights

House Bill 586 (passed) which was recommended by the Task Force to Examine Maryland's Crime Victims' Rights Laws, expands the definition of "victim" in the provisions of law which grant a victim the right to submit a victim impact statement at proceedings to decide whether a child charged as an adult should be transferred to juvenile court and in provisions of law which outline the various forms of notice required to be given to a victim.

For purposes of these provisions, the defined term "victim" is expanded to include a family member or guardian of a victim if the victim is deceased from any cause or suffering from any disability. The prior law defined "victim" to include a family member or guardian of a victim only if the victim was a homicide victim or was mentally incompetent.

Sexual Offenses - Juvenile Justice Facilities and Licensed Institutions

Senate Bill 415 (passed) prohibits an employee of the Department of Juvenile Justice or a licensee of the department from engaging in vaginal intercourse or a sexual act with an individual confined in a juvenile facility. A violator is guilty of a misdemeanor and subject to a maximum fine of \$3,000 or maximum imprisonment for three years or both. The legislation is consistent with existing law, which prohibits a correctional employee from engaging in vaginal intercourse or a sexual act with an inmate incarcerated in a correctional facility.

Gun Safety - Juvenile Delinquents

Senate Bill 211 (Ch. 2), the Responsible Gun Safety Act of 2000, was introduced on behalf of the Governor's Task Force on Childproof Guns to prevent the unintentional and criminal misuse of handguns by children and other unauthorized users. The Act expands the authority of the State Police to deny handgun permits to and prohibit the sale to or possession of regulated firearms by certain juvenile delinquents even if the individual has not been previously committed to a correctional institution. Specifically, the Act provides that an individual under the age of 30 is ineligible for a handgun permit or is ineligible to purchase, sell, transfer, or possess a regulated firearm if a juvenile court has adjudicated the individual delinquent for either: (1) a crime of violence; (2) any violation classified as a felony in this State; or (3) any violation classified as a misdemeanor in this State that carries a statutory penalty of more than two years.

A more extensive discussion of *Senate Bill 211* may be found under the Public Safety subpart of this Part E of *The 90 Day Report*.

Public Safety

Gun Control and Safety

The Governor established the Governor's Task Force on Childproof Guns by Executive Order 01.01.1999.18 on June 5, 1999. The task force was directed to propose legislation to prevent the unintentional and criminal misuse of handguns by children and other unauthorized users and to examine design alterations and technological enhancements for handguns. The task force consisted of 21 members, including several cabinet secretaries, members of the General Assembly, law enforcement personnel, health care professionals, educators, as well as members of advocacy organizations and the general public.

Senate Bill 211 (Ch. 2) was introduced on behalf of the Governor's task force as the Responsible Gun Safety Act of 2000. As passed, the Act has eight major components.

Safety Locks

External: The Act requires that a handgun dealer provide an external safety lock for all handguns manufactured on or before December 31, 2002.

Internal: The Act requires for sales, rentals, or transfers by dealers on or after January 1, 2003, that all handguns manufactured after December 31, 2002, must have "integrated mechanical safety devices." An "integrated mechanical safety device" is a "disabling or locking device that is both: (1) built into a handgun; and (2) designed to prevent the handgun from being discharged unless the device has been deactivated."

Exemptions: The Act creates five exemptions from the safety lock requirements: (1) purchases, sales, and transport to or by a licensed gun dealer or manufacturer that provides or services a handgun for federal personnel, members of the military or national guard, and certain law enforcement organizations; (2) any firearm modified to render it permanently inoperative; (3) sales or transfers by any licensed gun dealer or manufacturer covered under the first exemption above; (4) sales or transfer by a licensed gun dealer or manufacturer to a lawful customer outside the State; or (5) antique firearms manufactured prior to 1899 and certain replicas.

Handgun Roster Board

The number of citizens on the existing Handgun Roster Board in the Department of State Police is increased from three to five, two of whom must be mechanical or electrical engineers. The board is required to review the status of personalized handgun technology (i.e., handguns that are only operable by the authorized user) and report its findings to the Governor and the General Assembly on an annual basis, beginning July 1, 2002.

Ballistic Fingerprinting

The Act requires any manufacturer (in- or out-of-state) who ships a handgun for sale or transfer in the State to include in a box with the handgun, a separate sealed container with a shell casing of a projectile discharged from the gun, and any other identifying information required by the Department of State Police (department).

Upon receipt of a handgun from a manufacturer, a dealer must confirm to the department that the manufacturer complied with the above requirements. Upon the sale or transfer of the gun, a dealer is required to send the container to the State Police Crime Laboratory for entry onto a database.

Juvenile Offenders

The Act prohibits a person under 30 who was adjudicated delinquent for a crime of violence, a felony offense, or a misdemeanor offense carrying a statutory penalty of more than two years from: (1) applying to buy, rent, or transfer a regulated firearm; (2) applying for a permit to carry a handgun; or (3) possessing a handgun. A dealer may not sell, rent, or transfer a regulated firearm to a person the dealer knows or has reasonable cause to believe is under 30 and has been adjudicated delinquent as provided above.

Firearm Possession by a Felon

Under current law, persons with a prior conviction for certain serious crimes are prohibited from possessing regulated

firearms. A person who violates this provision is guilty of a misdemeanor and on conviction is subject to a maximum fine of \$10,000 or a maximum term of imprisonment of five years or both. Under the Act, if a person who was previously convicted of a crime of violence or serious drug offense illegally possesses a firearm, the person is guilty of a felony and will be imprisoned for a minimum of five years, and is not eligible for a suspended sentence or parole. Each violation is a separate offense.

This provision was modeled after Virginia's Project Exile which is credited with drastically reducing the murder rate in Richmond.

Forfeiture of Firearms for Violations

Any handgun involved in a possession, sale, or transfer violation under the handgun and regulated firearms law is subject to seizure and forfeiture. If a handgun is forfeited to a law enforcement agency, the agency is required to either retain the handgun for official use, destroy the handgun, or sell, exchange, or transfer the handgun to another law enforcement agency for that agency's use.

A law enforcement agency that disposes of its own handguns is required to either: (1) destroy the handgun; (2) sell, exchange, or transfer the handgun to another law enforcement agency; (3) sell the handgun to a retired State police officer; or (4) sell the handgun to the law enforcement officer who was previously issued the handgun.

Mandatory Safety Course for Purchasers

The Act requires a person applying to buy, rent, or transfer a regulated firearm to have completed a certified firearms safety training course conducted free of charge by the Police Training Commission, or one that meets standards established by the commission. A dealer is prohibited from selling, renting, or transferring a regulated firearm to a person the dealer knows or has reasonable cause to believe has not completed such a firearms safety training course.

The Act requires a person to complete such a training course only once. It specifies exemptions from the training course requirement for law enforcement officers; members, retired members, or honorably discharged members of the military; members of organizations required by federal law to maintain handguns; and persons who have a permit to carry a handgun. The Act also requires the Police Training Commission to adopt regulations by January 1, 2001, requiring completion of a certified firearms safety training course for all applicants for a regulated firearm purchase, rental, or transfer after December 31, 2002.

The course offered by the commission must:

- be free of charge or fee;
- be no more than two hours in length;
- be conducted at least weekly in all parts of the State;
- be available within two weeks of a request; and
- not require any skills or knowledge testing.

In the alternative, a person may take a course containing a handgun safety component and conducted by an individual or organization certified by the Police Training Commission, the Department of Natural Resources, the Department of State Police, or any reputable organization promoting handgun competency and training and approved under regulations adopted by the Police Training Commission.

Cease Fire Council: Grant Program for Enforcement and Technology

The Act establishes a Cease Fire Council within the Department of State Police to administer a State grant program to support innovative and collaborative firearms violence reduction initiatives; reduce firearms violence; target law

enforcement against criminals who illegally possess firearms; supplement law enforcement and prosecutor salaries; pay for covert firearms investigations; pay for initiatives to trace firearms used in criminal activities; and purchase technology and information systems to support firearms violence reduction efforts.

Except for the training requirements and provisions for the integrated mechanical safety devices discussed above, the Act is effective October 1, 2000.

Law Enforcement Officers' Bill of Rights

Enacted by the General Assembly in 1974, the Law Enforcement Officers' Bill of Rights (LEOBR) guarantees substantive and procedural protections to law enforcement officers during disciplinary investigations, interrogations, and hearings. The LEOBR provides an officer's exclusive remedy in matters of departmental discipline. Chapter 535 of 1998 deleted reference to "the Maryland Transportation Authority Police Force" and substituted "the Police Forces of the Department of Transportation." The Maryland Transportation Authority is separate from the Department of Transportation, thus the 1998 change inadvertently eliminated LEOBR coverage for Transportation Authority Police. *Senate Bill 42 (passed)* adds members of the Maryland Transportation Authority Police to the definition of "law enforcement officer" for the purposes of the LEOBR.

Fire and Rescue Services

Emergency Medical Services

Senate Bill 247/House Bill 1223 (both passed) authorize emergency medical technician-paramedics (EMT-P) to administer nonemergency immunizations and tuberculosis skin testing to any law enforcement officer; State Fire Marshal or sworn member of the State Fire Marshal's office; or career or volunteer member of a fire, rescue, or emergency medical services (EMS) department within the jurisdiction of the EMT-P. EMT paramedics may administer the immunizations or tuberculosis tests only if the services are authorized by a written agreement between the provider's jurisdictional EMS program medical director and the local health department and the services are under the direction of the jurisdictional EMS program medical director. Some EMS jurisdictions allowed paramedics to administer immunizations and tuberculosis testing until the legality of this practice was questioned.

Volunteer Companies

Senate Bill 154 (passed) creates an umbrella special fund known as the Volunteer Company Assistance Fund to provide financial assistance to volunteer ambulance, fire, and rescue companies. The umbrella fund contains two accounts:

- the Emergency Assistance Trust Account, which is identical to the existing Emergency Assistance Trust Fund, to be administered by the Maryland State Firemen's Association; and
- the Low Interest Revolving Loan Account, a new entity under which a volunteer company may apply to the Maryland State Firemen's Association for a loan to finance up to 75 percent of the cost of purchasing or refurbishing equipment or upgrading or replacing facilities needed to store equipment. The fiscal 2001 budget includes \$500,000 in general funds for this account.

Sexual Offender Registration

Senate Bill 834 (passed) requires all offenders required to register for committing sexual offenses or offenses against children to register with the appropriate supervising authority either for a term of ten years or for life if the offender: (1) is determined to be a sexually violent predator; (2) has been convicted of first degree rape, second degree rape, first degree sexual offense, second degree sexual offense, or third degree sexual offense; or (3) has been previously convicted and required to register as an offender, child sexual offender, or sexually violent offender.

State Fire Marshal

Chapter 410 of 1999 requires additional annual inspections of day care centers. Deputy State Fire Marshals take part in these inspections. **House Bill 139 (passed)** authorizes the State Fire Marshal to designate civilian employees to conduct day care center inspections and submit reports. The bill also requires that a civilian employee complete the training requirements under the National Fire Protection Association Standard 1031.

Domestic Violence

House Bill 101 (passed) establishes the Maryland Domestic Violence Unit Fund under the Governor's Office of Crime Control and Prevention to provide grants to one or more counties for law enforcement authorities that serve ex parte, protective, and peace orders. The grants are to fund the creation of separate domestic violence units dedicated to: (1) the service of ex parte orders, protective orders, and peace orders; and (2) the data entry and updating of those orders. The fiscal 2001 budget includes \$200,000 in general funds for this program.

For a further discussion of domestic violence issues see the Family Law Subpart of Part F - Courts and Civil Proceedings of this *90 Day Report*.

State Aid for Police Protection

Senate Bill 357 (passed) expands the definition of "qualifying municipality" under provisions governing the State Aid for Police Protection Fund. Specifically, the bill allows a qualifying municipality to be one whose "expenditures for police protection" exceeded \$80,000 for the prior fiscal year, and that employs at least two qualified part-time police officers. This bill does not affect the amount of aid that is allotted to each county nor the amount of overall aid provided statewide, but could change the distribution of funds within a county.

Racial Profiling

Racial profiling refers to police officers stopping motorists of color simply because they fit the "profile" of people who might carry contraband, drugs, or other illegal items. **House Bill 225 (failed)** would have required law enforcement agencies to adopt policies against racial profiling and required collection and analysis of data on traffic stops. **Senate Bill 110 (failed)** would have established a 17-member Task Force to Study Race-Based Traffic Stops to study a variety of issues relating to routine traffic stops, including the identifying characteristics of individuals stopped, whether arrests were made as a result of the stops, and the benefit of traffic stops to drug interdiction efforts. **House Bill 226 (failed)** would have imposed a civil penalty not exceeding \$1,000 on a law enforcement officer who used an individual's race or ethnicity as the sole reason for initiating a criminal investigation.

Part F

Courts and Civil Proceedings

Judges and Court Administration

Business and Technology Division

House Bill 15 (passed) establishes a 19-member Business and Technology Division Task Force to study the feasibility of the establishment of a business and technology division in appropriate circuit courts in the State. The task force is to be chaired by the President of the Maryland State Bar Association, or a designee, and must issue a final report by December 1, 2000.

The legislation states the intent of the General Assembly that the Chief Judge of the Court of Appeals consider the feasibility of the establishment of a business and technology court division in Maryland, based on the study to be completed by the task force, in order to enable the circuit courts to handle business and technology matters in the most coordinated, efficient, and responsive manner, and to afford convenient access to lawyers and litigants involved in business and technology matters.

The legislation recognizes the growing role of electronic commerce in Maryland and the rest of the country and the increasingly complex and technical issues involved. Delaware has demonstrated the advantage of having a designated court structure for business issues in attracting corporate headquarters to that state, and California has developed guidelines for handling complex legal issues in its courts. However, no state has set up a forum especially for the litigation of technology disputes.

Circuit Courts - Funding of Masters and Juror Per Diems

Following the failure of legislation introduced during the 1999 session (Senate Bill 133/House Bill 181) that would have required the State to fund the first \$15 of juror per diem reimbursements as well as the salaries of standing masters and additional circuit court personnel, language in the 1999 *Joint Chairmen's Report* required the Chief Judge of the Court of Appeals to submit a plan for increasing the State's role in circuit court funding. The Chief Judge submitted the "Circuit Courts Action Plan" in November 1999, which set forth an incremental partial cost assumption plan under which the State would contribute an additional \$50 million per year to the circuit courts by fiscal 2004.

House Bill 913 (passed) requires the State to appropriate funds to the circuit courts to pay the salaries and fringe benefits of standing masters and to increase the State contribution for juror per diems from \$5 to \$15, beginning July 1, 2001. Current masters will be given the option of becoming State employees as of July 1, 2002, or remaining county employees whose salaries will be funded by the State. All masters hired on or after July 1, 2002, will be State employees. All local fiscal savings resulting from the bill must be used by the local jurisdictions solely for the circuit courts or related public safety purposes.

The cost of the legislation to the State is estimated at \$6.9 million in fiscal 2001. Out-year costs reflect regular increases in masters' salaries.

Judicial Compensation Commission Report

The Judicial Compensation Commission issued a report in January 2000 recommending an across-the-board increase in annual judicial salaries of \$10,000. **Senate Joint Resolution 3/House Joint Resolution 5 (both passed)** as initially introduced, reflected the commission's recommendation. However, the General Assembly amended the joint resolutions to leave judicial salaries at their current levels. The joint resolutions also specifically endorse a statutory provision that requires that judges automatically receive the same general salary increase as may be provided to State employees, effective on the same date. Judges are therefore entitled to receive the same 4 percent general salary increase, beginning November 15, 2000, as is currently scheduled for State employees in the fiscal 2001 budget. **Exhibit 1**

shows the current judicial salaries, the salaries proposed by the Judicial Compensation Commission, and the salaries after the fiscal 2001 COLA and the 4 percent COLA projected for fiscal 2002.

**Exhibit 1
Judicial Salaries**

	<u>No. of Pos.</u>	<u>Current Salaries</u>	<u>JCC Proposed Increase</u>	<u>JCC Proposed 01 Salaries</u>	<u>% Inc.</u>	<u>Salaries after 4% 2001 COLA</u>	<u>Salaries after 4% 2002 COLA</u>
Court of Appeals							
Chief Judge	1	139,200	10,000	149,200	7.18	144,768	150,559
Judge	6	121,600	10,000	131,600	8.22	126,464	131,523
Court of Special Appeals							
Chief Judge	1	117,200	10,000	127,200	8.53	121,888	126,764
Judge	12	114,400	10,000	124,400	8.74	118,976	123,735
Circuit Court							
Judge	143	110,500	10,000	120,500	9.05	114,920	119,517
District Court							
Chief Judge	1	114,400	10,000	124,400	8.74	118,976	123,735
Judge	<u>107</u>	103,000	10,000	113,000	9.71	107,120	111,405
Totals	271						

Source: Department of Legislative Services

Prospective Jurors - Motor Vehicle Administration Lists

Senate Bill 355/House Bill 944 (both passed) expand the sources from which all circuit courts are required to select prospective jurors to include individuals at least 18 years of age who have been issued a driver's license or identification card by the Motor Vehicle Administration (MVA). The MVA must provide lists to the circuit courts without cost.

Under existing statutory authorization, circuit courts are required to select jurors from voter registration lists and may also use other sources in accordance with a juror selection plan maintained by a court. Several counties (Baltimore City and Anne Arundel, Charles, Dorchester, Howard, Somerset, and Worcester counties) already use MVA lists to help create their jury pools.

These bills reflect one of the recommendations of the Commission on the Future of Maryland Courts. The use of MVA lists spreads jury duty among a broader group of individuals, makes juries more representative, and removes a disincentive for individuals who hesitate to register to vote in order to avoid jury duty.

Circuit Court Real Property Records Improvement Fund

Senate Bill 214/House Bill 641 (both passed) extend the termination date for the Circuit Court Real Property Records Improvement Fund from June 30, 2001, to June 30, 2006.

The Circuit Court Real Property Records Improvement Fund is a nonlapsing revolving fund managed and supervised by the State Court Administrator, with advice from a five-member oversight committee. The fund consists of surcharges assessed on instruments recorded in the land records and the financing statement records, and revenues

from copies made on equipment bought through the fund. The fund is used to repair, replace, improve, modernize, and update office equipment and equipment-related services in the land records office of the clerk of the circuit court for each county. The fiscal 2001 budget assumes \$5 million in special fund revenues for the fund.

Extension of the fund will allow continued improvements to be made in the 24 land records offices, including the completion of two major automation initiatives, ELROI and PLATO, as well as the eventual provision of Internet access to land record information.

Baltimore City Criminal Justice System

In an effort to substantially change the way the Baltimore City court system operates, and to further the progress of recently implemented criminal justice system reforms, the Criminal Justice Coordinating Council for Baltimore City, in consultation with Baltimore City criminal justice system stakeholders, devised a plan for unclogging the beleaguered court system. This plan entails expanding the use of the courtroom at the Central Booking and Intake Facility (CBIF) to include a full-time schedule five days a week as a mechanism for expediting the case processing of less serious criminal cases. This in turn is expected to free up resources for the processing of more serious criminal cases.

The fiscal 2001 budget includes an additional \$6.7 million and 85 new permanent positions to support the planned increased utilization of the courtroom at the CBIF and to assist State agency operations in the Baltimore City criminal justice system. The appropriations and personnel will be used to: (1) provide a full-time District Court judge, court commissioners, and court clerks at the CBIF and Eastside District Court location; (2) enhance public defender staffing at the CBIF and Eastside District Court location; (3) provide a grant to the Office of the State's Attorney for Baltimore City to expand the prosecutorial review of charges; (4) support the activities of the Criminal Justice Coordinating Council for Baltimore City, including the cost of implementing an information technology infrastructure for the various Baltimore City criminal justice system agencies; (5) make improvements to the court space within the CBIF; (6) expand the number of correctional officer positions used to escort inmates to and from the courtroom, and provide case management and scheduling services to the court; and (7) continue the construction of four additional Baltimore City Circuit Court courtrooms. These funds and new positions are in addition to the \$4.0 million and 51 new permanent positions made available during the 1999 legislative session.

The General Assembly adopted budget language and committee narrative requiring reports documenting the progress of reform initiatives and expanded use of the CBIF courtroom. These include: (1) language withholding a total of \$1.0 million from the Judiciary and Department of Public Safety and Correctional Services (DPSCS) pending receipt of a formal plan for the utilization of the CBIF courtroom; (2) language directing the Judiciary to report on the utilization of a full-time judge at the CBIF courtroom; (3) language directing that the Criminal Justice Coordinating Council for Baltimore City submit a report on the development of a fiber optic information system for the Baltimore City criminal justice system; (4) narrative directing that the Office of the State's Attorney for Baltimore City submit quarterly statistical reports on its prosecutorial review of charges; and (5) narrative directing DPSCS to submit quarterly reports on the impact of increased utilization of the CBIF courtroom.

Judgeships

In 1979, the Chief Judge of the Court of Appeals began an annual procedure of formally certifying to the General Assembly the need for additional judges in the State. This certification process was suggested by the Legislative Policy Committee prior to the 1979 session. The annual certification is prepared after a statistical analysis of the workload and performance of the circuit courts and the District Court of Maryland and consideration of the comments of the circuit administrative judges and the Chief Judge of the District Court.

For fiscal 2001, the Judiciary certified the need for one additional circuit court judge in each of the following counties: Calvert, Cecil, Charles, Frederick, Washington, and Worcester. However, the Judiciary only requested the creation of a new circuit court judgeship for Worcester County in *Senate Bill 69/House Bill 577 (both failed)*. In addition, these bills sought to create five other new circuit court judgeships -- one each in Anne Arundel, Baltimore, Montgomery, and Prince George's counties and Baltimore City. These particular judgeships were requested, for each jurisdiction which operates a family division, as a result of a policy decision to limit the role of domestic relations masters in light

of a decision of the Court of Appeals that held that a domestic relations master does not have authority to order an arrest pending entry of a judicial order in accordance with the master's recommendation of contempt, *State v. Wiegmann*, 350 Md. 585 (1998). As introduced, the bills also sought to create an additional District Court judgeship in District 4 (Charles, St. Mary's, and Calvert counties), which was not certified by the Judiciary.

Civil Actions and Procedures

Service of Process - Resident Agents of Governmental Entities

Senate Bill 215/House Bill 481 (both passed) authorize local governmental entities and State agencies not represented by the Attorney General to file resident agent designations with the State Department of Assessments and Taxation (SDAT).

These bills permit a local entity to designate a Maryland citizen who resides in this State, a Maryland corporation, or an officer of the local entity as a resident agent for acceptance of service of process on behalf of the local entity. The bills provide that a local entity may designate a resident agent by filing with SDAT a certification identifying the person designated by the charter of the local entity to accept service of process. If the charter of a local entity does not designate a person to accept service of process, the bills allow a certified copy of a resolution of the local entity's governing body authorizing the designation to be filed with SDAT.

The bills also permit a State agency not represented by the Attorney General to designate a Maryland citizen who resides in this State, a Maryland corporation, or an officer of the State agency as a resident agent by filing with SDAT a certified copy of a resolution by the agency's governing body authorizing the designation.

Immunity and Liability

Drug Dealer Liability Act

Senate Bill 484/House Bill 178 (both passed) make a person who is convicted under Article 27, § 286 or § 286A of knowingly and willfully manufacturing, distributing, dispensing, transporting, or bringing into the State a controlled dangerous substance (CDS) liable for damages in a civil action brought by certain family members for the death of an individual proximately caused by the deceased individual's unlawful use of the CDS.

The bills create a cause of action only for a: (1) parent; (2) legal guardian; (3) child; (4) spouse; or (5) sibling of the individual CDS user.

The bills allow for recovery of the following damages sustained by a plaintiff that were proximately caused by the unlawful use of a CDS: (1) economic damages and other pecuniary losses; and (2) noneconomic damages, including pain and suffering, emotional distress, mental anguish, loss of enjoyment, companionship, services or consortium, and other nonpecuniary losses.

Local Governments

Actions Against Gun Manufacturers: Recently a number of cities and counties across the country have filed lawsuits against the gun industry, invoking legal theories ranging from products liability to consumer protection. In 1999, 15 states enacted legislation to prohibit local governments from suing gun manufacturers. In 2000, similar legislation was introduced in at least 15 states.

Senate Bill 493 (failed) would have prohibited a political subdivision or local government from suing a gun manufacturer or dealer for damages, abatement, or injunctive relief resulting from or relating to the lawful design, marketing, or sale of a gun to the public. The bill would have specified that the authority to sue a gun manufacturer or dealer is reserved exclusively to the State, but that the State may not exercise this authority without an act of the General Assembly.

The bill would have applied retroactively to any action brought by a political subdivision or local government against

a gun manufacturer or dealer before the effective date of the bill.

Lexington Market: Senate Bill 715/House Bill 725 (both passed) expand the definition of "local government" in the Local Government Tort Claims Act to include Lexington Market, Inc., in Baltimore City.

Market Share Liability for Lead-Based Paint Damages

Senate Bill 806/House Bill 1079 (both failed) would have created a cause of action against manufacturers of lead-based paint for certain damages under a market share theory of liability.

The bills would have required a person seeking damages to prove that:

- lead-based paint caused the damages alleged;
- the manufacturer of lead-based paint manufactured lead-based paint and sold lead-based paint in the market at the time the lead-based paint was applied to the residential, public, or commercial building; and
- the manufacturer of lead-based paint breached a legally recognized duty in the marketing of the lead-based paint.

The bills would have apportioned damages based on the manufacturer's share of the market at the time the manufacturer sold and manufactured lead-based paint in the market.

Managed Care Entities - Liability

Senate Bill 9/House Bill 943 (both failed) would have established that a carrier or managed care entity for a health benefit plan has the duty to exercise ordinary care when making health care treatment decisions and is liable for damages for harm to an insured or enrollee proximately caused by its failure to exercise ordinary care.

Disclosures by Insurers

Disclosure of Business Address

House Bill 85 (passed) requires a defendant's insurer or a person who has a self-insurance plan, on written request of a party to the action, to provide to the party the last known business address of the defendant. Existing law already requires a defendant's insurer or a person who has a self-insurance plan to provide the defendant's last known home address.

Disclosure of Insurance Limits

Tracking language contained in Rule 2-402 of the Maryland Rules of Civil Procedure, which defines the scope of discovery with regard to insurance agreements in a civil proceeding, **House Bill 1220 (failed)** would have allowed an insured or claimant who has filed a written claim with a property and casualty insurer to obtain documentation from the insurer of the applicable limits of coverage in any insurance agreement under which an insurer may be liable to satisfy part or all of the claim or indemnify or reimburse for payments made to satisfy the claim.

Administrative Orders

In a measure to provide a mechanism for enforcement of an administrative order if no appeal has been filed, **House Bill 439 (passed)** authorizes a circuit court to order civil enforcement on the timely petition of a party to a contested case if another party is in violation of the administrative order. The bill specifies the following relief that the court may grant: (1) declaratory relief; (2) injunctive relief; (3) mandamus; or (4) any other civil remedy provided by law.

Baltimore City - Abandoned Property

During the 1999 session the General Assembly enacted legislation granting Baltimore City the authority to use an expedited form of condemnation for a defined category of abandoned property. *Senate Bill 532/House Bill 701 (both passed)* establish a three-year statute of limitations for an action against Baltimore City for the improper taking of abandoned property and limits the damages that may be awarded to the fair market value of the abandoned property at the time of the taking. The bills are intended to encourage title insurers to issue title insurance for abandoned property acquired by Baltimore City through condemnation.

Evidence - Health Care Records and Writings

House Bill 497 (passed) expands the definition of "health care provider" to include persons who are regulated by another State or the District of Columbia to provide health care services and who are substantially similar to health care providers in this State for the purpose of a current statute that allows the admissibility of health care records and writings without the oral testimony of the health care provider in specified civil trials.

District Court Jurisdiction - Dishonored Checks

House Bill 356 (passed) clarifies that the District Court of Maryland has exclusive original civil jurisdiction in an action for damages for a dishonored check or other negotiable instrument regardless of the amount in controversy.

Transfer of Structured Settlement Payment Rights

House Bill 357 (passed) establishes that a direct or indirect transfer of structured settlement payment rights is not effective unless a person applies for and obtains a court order authorizing the transfer. A "structured settlement" is an arrangement for periodic payment of damages for personal injury established by a settlement or judgment resolving a tort claim.

This bill prohibits a structured settlement obligor or annuity issuer from making any payment directly or indirectly to any transferee of structured settlement payment rights unless the transfer has been authorized in an order of a court based on a finding that:

- the transfer is necessary, reasonable, or appropriate;
- the transfer is not expected to subject the payee, the payee's dependents, or both, to undue or unreasonable financial hardship in the future;
- the payee received independent professional advice regarding the legal, tax, and financial implications of the transfer; and
- the transferee disclosed to the payee the discounted present value.

Health Care Malpractice

House Bill 27 (failed) would have altered the time at which the statute of repose begins on filing a health care malpractice claim for a child who was under the age of 11 at the time the injury was committed. The bill would have established that time limitations on filing a malpractice claim begin when the child reaches the age of 16. Beginning at that time, an action for damages for an injury arising out of the rendering of or failure to render professional services by a health care provider would have been required to be filed within the earlier of: (1) five years from the time the injury was committed; or (2) three years from the date the injury was discovered.

Comparative Negligence

For the past several sessions, attempts to change Maryland from a contributory negligence State to a comparative negligence State have been unsuccessful.

Senate Bill 779 (failed) would have established comparative negligence as the method for awarding damages in

negligence actions.

Specifically, the bill would have provided that in an action for damages based on negligence resulting in death or injury to person or property, contributory negligence of the plaintiff does not bar recovery if the contributory negligence was less than:

- the negligence of the defendant; or
- the combined negligence of all defendants against whom recovery is sought.

Damages would have been diminished in proportion to the percentage of negligence attributable to the plaintiff.

Family Law

Child Support

Child Support Guidelines

Under existing law, there is a rebuttable presumption that the amount of child support which would result from the application of the Maryland Child Support Guidelines is the correct amount of child support to be awarded. The presumption that the guidelines are correct may be rebutted by evidence that applying the guidelines would render an unjust or inappropriate result in an individual case. In determining whether the guidelines would be unjust or inappropriate in a particular case, the court is permitted to consider, among other factors, the presence in the household of either parent or other children to whom that parent owes a duty of support and the expenses for whom that parent is directly contributing.

A recent Court of Special Appeals decision, *Dunlap v. Fiorenza*, 128 Md. App. 357 (1999), held that a departure from the guidelines was appropriate because the child's father had two subsequent children who lived in his household and to whom he owed a duty of support. In upholding the trial court's decision, the Court of Special Appeals stated, "[t]he departure from the Guidelines was fully explained. The addition of two half-siblings on the father's side of the family is *per se* a significant part of the departure rationale."

In the concurring/dissenting opinion in the *Dunlap* case, Judge Hollander disagreed with the majority opinion that mere proof that a parent has additional children, standing alone, could justify a departure from the guidelines. Judge Hollander stated that a parent's additional children "may in the appropriate case, justify a downward departure from the child support guidelines. But it is not an automatic entitlement."

House Bill 396 (passed) reflects the concurring/dissenting opinion in the *Dunlap* case by providing that the presumption that the guidelines will yield a correct child support award may not be rebutted *solely* on the basis of evidence of the presence in the household of either parent or other children to whom that parent owes a duty of support and the expenses for whom that parent is directly contributing.

Child Support Orders from a Decedent Father's Estate - Repeal

House Bill 976 (passed) repeals a provision of law enacted in 1912 authorizing a court to order child support to be paid out of a deceased father's estate on behalf of a child born out of wedlock if the father was declared by a court to be the father of the child or was ordered to pay child support under the paternity statutes.

House Bill 976 is consistent with a suggestion made in a Revisor's Note to the Family Law Article, which stated in part:

The Commission to Revise the Annotated Code recommends that the General Assembly consider repealing this section, which provides that a father's duty to support a child born out of wedlock continues after the father's death. In situations where a child is born in wedlock, the common law applies and a parent's duty to support the child normally terminates with the parent's death. The common law rule also appears to

apply to the obligation of a mother to support her child born out of wedlock. The essentially unique treatment of the father of a child born out of wedlock may raise constitutional questions.

Additionally, the Office of the Attorney General has advised that the statute repealed by **House Bill 976** violated the Equal Rights Amendment of the Maryland Declaration of Rights, which prohibits sex-based classifications in the law "absent substantial justification." *Griffin v. Crane*, 351 Md. 133 (1998). According to the Office of the Attorney General, the statute contained an unconstitutional sex-based classification because, without substantial justification, it authorized a child support award out of the estate of a father but not out of the estate of a mother.

In addition, changes in the law of inheritance since this statute was adopted in 1912 allow an illegitimate child to inherit from the father's estate if paternity has been established, thereby rendering the statute obsolete.

Child Support Enforcement Conciliation Conferences

In order to encourage the settlement of child support disputes and reduce court dockets, the General Assembly passed **Senate Bill 38 (passed)**. **Senate Bill 38** grants specific authority to the circuit courts in which a Child Support Enforcement Privatization Pilot Program is located (Baltimore City and Queen Anne's County) and in which a child support enforcement demonstration site is located (Washington, Montgomery, Howard, and Calvert Counties) to order parties filing a complaint to modify or enforce a duty of support to appear and produce documents at a conciliation conference. A "conciliation conference" is a conference conducted at a site designated by the pilot program or at a demonstration site to provide an opportunity for the parties to resolve issues associated with an action to modify or enforce a duty of support prior to a court proceeding.

If a party fails to appear or produce the required documents at a conciliation conference, **Senate Bill 38** authorizes the court to issue a body attachment or compel compliance in any other manner available to the court to enforce its own order. A body attachment is a written order issued by a court directing a sheriff or peace officer to take custody of and bring before the court a party in a civil action who fails to comply with an order of court.

Child Support Reinvestment Fund

When the State's child support enforcement efforts meet or exceed certain federal standards (e.g., the number of cases in which paternity is established), the State receives federal incentive payments. **Senate Bill 108 (passed)** requires *all* federal incentive payments received by the State to be deposited in the Child Support Reinvestment Fund and used to pay for child support enforcement efforts.

Senate Bill 108 also broadens the purposes for which the fund may be used to include: (1) developing programs and special projects; (2) establishing a performance incentive program to provide incentives for employees; (3) assisting in staff development and training; and (4) establishing community outreach programs and activities. A more extensive discussion of **Senate Bill 108** may be found under the Social Services subpart of Part M of this *90 Day Report*.

Children in Out-of-Home Placements - Criminal History Records Check of Parent

In accordance with Chapter 539, Acts of 1998 in a petition alleging that a child is in need of assistance, a local department of social services may request the juvenile court to find that the local department is not required to make reasonable efforts to reunify the child with the child's natural parent if the natural parent has been convicted of a crime of violence against the child, the other natural parent, another child of the natural parent, or any person residing in the household of the natural parent.

To assist local departments and the courts in obtaining knowledge of convictions for the purpose of implementing the reunification waiver statute in appropriate cases and assessing the risk of returning a child from foster care to a parent or guardian, **Senate Bill 527/House Bill 937 (both passed)** require the following individuals to obtain a national and State criminal history records check, if requested by a local department of social services:

- a parent or guardian of a child who is committed to the local department and is or has been placed in an out-of-home placement within the past year; and

- any adult known by the local department to be residing in the home of the parent or guardian.

Domestic Violence

Surrender of Firearms

Chapter 567, Acts of 1996 authorized a court in a protective order proceeding for relief from domestic abuse to order the respondent to surrender to law enforcement authorities any firearm in the respondent's possession for the duration of the protective order. Since 1996, the Family Violence Council and the Maryland Network Against Domestic Violence have endorsed legislation to extend the court's authority to order the surrender of firearms to provisions of law concerning temporary ex parte orders.

Senate Bill 781/House Bill 595 (both failed) would have authorized a court, in a temporary ex parte proceeding for relief from domestic abuse, to order the respondent to surrender to law enforcement authorities a particular firearm or firearms in the possession of the respondent or to refrain from possessing any firearms for the duration of the ex parte order. *Senate Bill 675/House Bill 606 (both failed)* would have altered several provisions of law concerning protective orders by: (1) authorizing the court to order the surrender of firearms only upon a finding of probable cause to believe that the respondent owns or possesses any firearms; (2) requiring that any surrender of firearms be immediate; and (3) increasing the responsibilities of law enforcement officers with regard to the enforcement of a court order requiring the surrender of firearms.

Maryland Domestic Violence Unit Pilot Program Fund

Prompted by the case of Richard Spicknall, who was charged with two counts of first degree murder after he allegedly shot his two children during the time that a civil protective order was in effect against him, the General Assembly passed emergency legislation to assist local law enforcement agencies in one or more counties in establishing a separate domestic violence unit dedicated to the service and data entry of domestic violence orders.

Under current law, sheriff's offices and certain police departments in the State are required to serve temporary ex parte and protective orders. Additionally, these law enforcement agencies are responsible for the entry, maintenance, and prompt validation of domestic violence orders into the Maryland Interagency Law Enforcement System (MILES), which is the law enforcement computer system used to store data on the status of domestic violence orders in the State. MILES is also used to conduct certain background checks on prospective purchasers of regulated firearms.

Under current law, an individual against whom a protective order has been issued may not possess or purchase a regulated firearm. However, in the Spicknall case, the record of the protective order issued against Richard Spicknall was removed from MILES because of a clerical error. The error allowed Richard Spicknall to purchase the gun that he is alleged to have used to kill his two young children.

The Spicknall case sparked news reports that as many as half of the individuals subject to protective orders in Maryland are not listed in MILES. The reports, which prompted legislative hearings, also indicated that many protective orders were not being logged into the computer system for several weeks or months. In addition, a State Police audit found that 86% of the protective orders entered into MILES had errors. Law enforcement agencies have contended that delays and errors are inevitable because MILES is outdated and the forms given law enforcement officers by the courts often are illegible or do not contain all of the required information.

House Bill 101 (passed) establishes a two-year Domestic Violence Unit Pilot Program Fund to provide grant money to the sheriff's department or police department in one or more counties for the creation of a separate domestic violence unit dedicated to the service and data entry of domestic violence orders.

Revision of the CINA Statute

In 1997, the Administrative Office of the Courts completed an assessment of the Judiciary's processing of child abuse and neglect cases. One of the findings of the assessment was that the Child in Need of Assistance (CINA) statute,

which is combined with the delinquency and Children in Need of Supervision provisions, was interpreted and applied in many different ways throughout the State.

The differing policies and procedures among the various jurisdictions were found to cause disparate treatment of litigants and confusion for practitioners and agencies. Also, it was considered inappropriate to have CINA provisions intertwined with delinquency provisions in one statute. To correct these problems, members of the CINA subcommittee of the Foster Care Court Improvement Project of the Maryland Judicial Conference recommended that a separate statute be written.

Senate Bill 642/House Bill 849 (both failed) would have revised and reorganized the laws governing juvenile court proceedings to separate the laws pertaining to CINA proceedings from those pertaining to delinquency and Child in Need of Supervision proceedings. The bills also would have made the following significant substantive changes to the CINA provisions:

- expanding the jurisdiction of the juvenile court to include custody, visitation, child support, and paternity of a child for whom a CINA petition has been filed;
- requiring the assignment of at least one juvenile court judge in every county;
- divesting the Department of Juvenile Justice of its authority to file a CINA petition;
- expanding the scope of representation by the Office of the Public Defender in CINA proceedings;
- altering the methods under which a law enforcement officer may take a child into custody when the child is in danger in the home;
- altering a presumption regarding drug-addicted babies in CINA cases;
- expanding dispositional options available to the juvenile court in CINA proceedings;
- establishing procedures for emergency dispositional review hearings by the court;
- authorizing the court to issue restraining orders against nonparties in CINA proceedings; and
- broadening access to juvenile court records involving a CINA.

Marriage and Divorce

Removal of Religious Barriers to Remarriage

Senate Bill 374/House Bill 1099 (both failed) would have required a party who files a complaint or countercomplaint for absolute divorce or annulment to file, on the request of the other party, an affidavit stating that the affiant has taken all steps solely within the affiant's control to remove all religious barriers to remarriage by the other party. Under the bills, if an affidavit were requested, the court would have been prohibited from entering a decree for absolute divorce or annulment until the affidavit was filed.

The proposals were intended to address what has been described as the withholding of Jewish religious divorces, despite the entry of civil divorce decrees, by spouses acting out of vindictiveness or applying economic coercion. The problem is faced mainly by Orthodox Jewish women whose marriages have ended. Under traditional Jewish law, a civil divorce does not dissolve the marriage. Only a religious divorce, called a "get" is sufficient to do so. The husband has the power to grant or withhold the get. He cannot be compelled under Jewish law to grant it. A civilly divorced husband who is indifferent to the barrier of his own remarriage may refuse to grant the get. If his wife does want to remarry within the Orthodox tradition, her husband's recalcitrance about the get might well coerce her into making harmful concessions in settlement negotiations preceding the civil divorce. ***Senate Bill 374/House Bill 1099*** were intended to induce parties to a divorce proceeding to seek religious relief on pain of being deprived of civil relief.

Prohibited Marriages - First Cousins

Existing law prohibits the marriage of individuals within certain degrees of familial relationship. A man, for example, may not marry his: (1) grandmother; (2) mother; (3) daughter, (4) sister; (5) granddaughter; (6) grandfather's wife; (7) wife's grandmother; (8) father's sister; (9) mother's sister; (10) stepmother; (11) wife's mother; (12) wife's daughter; (13) son's wife; (14) grandson's wife; (15) wife's granddaughter; (16) brother's daughter; or (17) sister's daughter. A woman similarly may not marry the same categories of persons listed above of the opposite gender.

House Bill 459 (failed) would have prohibited individuals who are first cousins from marrying in the State and would have made such marriages void and of no legal effect.

Human Relations

Impact of Slavery

The General Assembly enacted legislation in the 1998 session that established the Task Force to Study the History and Legacy of Slavery in Maryland (Chapter 718, Acts of 1998). In its December 1999 report to the Governor, the task force determined that there was a need to establish a State commission that is specifically mandated to coordinate the study, commemoration, and understanding of the history and legacy of slavery in Maryland for the benefit of all populations and all regions of Maryland as a whole, with a mandate to especially include the civilian casualties of slavery.

Senate Bill 854 (passed) is the result of the 1998 task force and creates an 11-member Commission to Coordinate the Study, Commemoration, and Impact of Slavery's History and Legacy in Maryland.

The purpose of the commission is to:

- network museums, cultural organizations, cultural parks and centers, and private collections to support the cataloging, preservation, and presentation of cultural resources relating to the history and legacy of slavery in Maryland;
- work with grass roots organizations, foundations, and government agencies in publicizing and seeking support for initiatives, with special attention to developing initiatives aimed at and benefitting youth;
- target funding for the identification and maintenance of relevant library and archival resources, in order to produce guides and maintain databases of holdings;
- identify relevant historical sites throughout the State and monitor the preservation and development of those sites;
- keep the State informed of how best to support relevant programs and initiatives;
- keep the State informed of the latest research on the lingering psychological, sociological, and economic impacts of slavery and its legacy, including the impact on crime and crime control; and
- work cooperatively with private and public tourist agencies and organizations to oversee and monitor the allocation of public resources to sites and undertakings relating to the history and legacy of slavery and to ensure that there is a fair allocation of resources for African American businesses and institutions.

Senate Joint Resolution 12 (passed) recognizes the contributions of Harriet Tubman and designates March 10 as Harriet Tubman Day in the State. Harriet Tubman was born around 1820 on a plantation in Dorchester County and escaped from slavery in 1849. In 1850, she began working as a conductor on the Underground Railroad. She returned to the South 19 times and brought 300 African American slaves to the North through the Underground Railroad, including the members of her own family in 1851. She became known as the "Black Moses of Her People."

Employment Discrimination

Remedies

House Bill 208 (failed) would have expanded the remedies available under the Maryland Human Relations Commission in employment discrimination cases. In addition to other damages, the commission would have been authorized to award compensatory damages in maximum amounts graduated according to the number of employees employed by the employer charged.

The bill also would have authorized a complaining party, a respondent, or an aggrieved person to elect to file a civil action in circuit court and would have authorized a complaining party to bring a civil action if at least 180 days had elapsed since filing a complaint with the commission. In any case, if a court found that a discriminatory employment practice had occurred, the bill would have authorized the court to award compensatory damages and punitive damages in graduated maximum amounts.

House Bill 208 also would have expanded the jurisdiction of the commission to cover employers who employ one or more employees. Currently, only employers with 15 or more employees are subject to the jurisdiction of the commission.

Genetic Information

House Bill 793 (failed) would have prohibited an employer from discriminating in employment against any individual because of the individual's genetic information or refusal to submit to a genetic test or make available the results of a genetic test. The bill also would have prohibited an employer from requesting or requiring genetic information as a condition for hiring or determining benefits.

Senate Bill 748 (failed), which included provisions similar to *House Bill 793*, also would have prohibited discrimination by labor organizations, employment agencies, and apprenticeship and training programs, and discrimination in employment advertising.

Other Discrimination

House Bill 875 (failed) would have made it a crime to harass or commit a crime upon an individual or damage the property of an individual because of the individual's gender or sexual orientation. At a minimum, a conviction would have carried a fine of not more than \$5,000, imprisonment for not more than three years, or both.

House Bill 47 (failed) would have prohibited discrimination in public accommodations, housing, and employment on the basis of sexual orientation.

Real Property

Drug Nuisance Abatement

Senate Bill 717/House Bill 742 (both passed) make several changes to existing provisions of law governing an action by a State's Attorney, county attorney, or community association to abate a nuisance where the nuisance is the use of property for illegal drug activity.

Owner-Occupants

The bills clarify that the relief afforded by the law is available against owner-occupants, as well as against tenants and landlords.

Knowledge Standard

Under current law, in order for a court to order a tenant to vacate the property or an owner to submit a plan of

correction to ensure that the property will not be used again for a nuisance, the court must find that the tenant or owner knew of the existence of a nuisance on the property. *Senate Bill 717/House Bill 742* alter the legal standard applied by a court to include not only actual knowledge of the nuisance but also constructive knowledge of the nuisance.

Remedies

Senate Bill 717/House Bill 742 specify the relief that a court may order if an owner fails to comply with an order to abate a nuisance. Under the bills, the court may order that the property be demolished if the property is unfit for habitation and the estimated cost of rehabilitation significantly exceeds the estimated market value of the property after rehabilitation.

Plaintiffs

Senate Bill 451 (passed) authorizes a municipal corporation within whose boundaries a drug nuisance is located to bring an action to abate the nuisance.

Eviction - Extreme Weather Conditions

House Bill 790 (passed) requires a warrant of restitution of residential rental property that is stayed by an administrative judge because of extreme weather conditions to be executed within three days after the extreme weather conditions cease. Under current law, an administrative judge is authorized to stay the execution of a warrant of restitution of a residential property, from day to day, in the event of extreme weather conditions. The bill is intended to expedite the execution of a warrant of restitution after the extreme weather conditions cease.

Property Line Surveyors

Under current law, only a licensed professional land surveyor is authorized to participate in the land patent process. Similarly, the Commissioner of Land Patents has the discretion to accept a survey previously performed by a qualified professional land surveyor in lieu of a new survey performed under a warrant in certain cases. *Senate Bill 411/House Bill 825 (both passed)* authorize property line surveyors to perform surveys for use in the land patent process. Under the Maryland Professional Land Surveyors Act, a property line surveyor can do everything a land surveyor can do, except prepare and design plans for road and street grades, sediment and erosion control measures, and storm drainage and stormwater management systems, none of which are applicable to the land patent process.

Real Property "Flipping"

Real estate or property "flipping" is the practice in which distressed houses are bought very cheaply and then resold for inflated amounts by the use of an inflated appraisal and fraudulent loan documents to support a loan for a buyer. During the summer of 1999, investigations by local news media revealed that thousands of properties in Baltimore City had been turned over for quick profits using questionable practices designed to secure loans in excess of the property's value. The following legislation was introduced this session to address these predatory real estate practices.

Senate Bill 830/House Bill 727 (both passed) expand the investigative and enforcement powers of the Commissioner of Financial Regulation. Under the bills, when the commissioner determines that a person has engaged in an act that constitutes a violation of a law over which the commissioner has jurisdiction, and that immediate action is in the public interest, the commissioner may issue, without a prior hearing, a summary order directing the person to cease and desist from the act. The summary order must give notice of the opportunity for a hearing before the commissioner to determine whether the summary order should be vacated, modified, or entered as final. For a detailed discussion of this topic, see the Financial Institutions subpart of Part I - Financial Institutions, Commercial Law, and Corporations of this *90 Day Report*.

Senate Bill 876/House Bill 786 (both failed) would have required that *all* appraisers who provide real estate appraisal services be licensed or certified by the State, regardless of whether the applicant provides appraisal services in connection with the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA). Under current

law, only appraisers who perform real estate appraisals in connection with FIRREA are regulated in Maryland. Under FIRREA, mortgage lenders and financial institutions offering mortgages that will be insured by the Veteran's Administration or the Federal Housing Authority (FHA), for example, and secured by real property, must obtain an appraisal of the property. No such requirement exists for non-federal mortgages.

Senate Bill 877/House Bill 1216 (both failed) were intended to decrease the time it takes to make sales information on property in Baltimore City available to the public. Under the bills, the Clerk of the Circuit Court for Baltimore City would have been authorized to record an instrument that effects a change of ownership of property, prior to the transfer of the property on the assessment books or records, if the instrument were: (1) endorsed with the certificate of the collector of taxes of the county in which the property is assessed; and (2) accompanied by a complete intake sheet and a copy of the instrument, and any survey, for submission to the Department of Assessments and Taxation.

Estates and Trusts

Inheritance Tax

Senate Bill 1/House Bill 13 (both passed) repeal the inheritance tax on property that passes from a decedent to certain relatives, or, if all the stockholders are relatives, a corporation. The inheritance tax is repealed on property inherited by the children, stepchildren, grandchildren, spouse, parents, grandparents, siblings, spouses of children or lineal descendants, or the family corporation of a decedent who dies on or after July 1, 2000. For a more detailed discussion of *Senate Bill 1/House Bill 13*, see the Miscellaneous Taxes subpart of Part B - Taxes of this *90 Day Report*.

Personal Representatives, Trustees, and Fiduciaries

Uniform Principal and Income Act

Trustees and personal representatives are required, in the course of their duties to those who benefit from their administration, to make proper allocations of assets either to principal or to income. The identification of principal and income, their allocation, and the apportionment of assets between income and principal are often unclear. The National Conference of Commissioners on Uniform State Laws promulgated the first Uniform Principal and Income Act in 1931 to guide fiduciaries in making identification and allocation decisions. The second Uniform Principal and Income Act was promulgated in 1962. Maryland adopted the second Uniform Principal and Income Act in 1965.

Senate Bill 636/House Bill 939 (both passed) repeal the current law and replace it with the Uniform Principal and Income Act of 1997. The Uniform Principal and Income Act of 1997 refines old rules for identification and allocation of principal and income and provides new rules dealing with new investment opportunities not available in 1962 (e.g., derivatives, options, deferred payment obligations, and asset-based securities), disbursements made due to environmental laws, and adjustments between principal and income for tax purposes.

Donation of a Conservation Easement

House Bill 456 (passed) authorizes a personal representative, a trustee, or a guardian of a minor or disabled person to donate a conservation easement on real property. In order to obtain the benefit of the estate tax exclusion allowed under § 2031(c) of the Internal Revenue Code for the donation of a conservation easement, the will or governing instrument must direct the donation of the conservation easement or every interested person who has an interest in the real property subject to the easement must consent in writing to the donation. The bill applies retroactively to a donation of a conservation easement from the estate of a decedent who died on or after January 1, 1998.

Small Estates

Under current law, an estate that meets the qualifications of a "small estate" is subject to an expedited probate process that involves less paperwork and less time to administer. Probate for a small estate may take only 30 to 60 days, as compared to probate for a large estate, which may take eight to twelve months. In addition, small estates are exempt from the inheritance tax. *House Bill 322 (passed)* raises the maximum value of an estate which may be considered a

"small estate" from \$20,000 to \$30,000. The bill also allows an estate with a value not exceeding \$50,000 at the time of the decedent's death to be eligible for administration as a small estate if the surviving spouse is the sole heir.

Part G

Transportation and Motor Vehicles

Transportation

Mass Transit

Farebox Recovery

Since 1982, the Mass Transit Administration (MTA) has been required by law to recover through fares and other operating revenues at least 50 percent of eligible net operating expenses of bus service under its Baltimore jurisdiction. The 50 percent recovery level was chosen because the Baltimore bus service had historically recovered about 50 percent of its costs. Over the years the farebox recovery mandate was updated to include additional transit services, including Baltimore Metro subway and light rail services. The Maryland Rail Commuter (MARC) train service is also subject to a 50 percent farebox recovery requirement.

Senate Bill 811/House Bill 1248 (both passed) lower the farebox recovery requirement for the Baltimore transit systems from 50 percent to 40 percent, while also requiring the MTA to establish a cost recovery goal of 50 percent. In addition, the bills lower from 50 percent to 40 percent the percentage of costs used to calculate "service deficits" for purposes of providing annual grants from the Maryland Department of Transportation (MDOT) to the Washington Suburban Transit District and to Prince George's and Montgomery counties for eligible local bus service.

The Baltimore transit system has been unable to meet farebox goals since fiscal 1996 due to the low recovery rate for rail services. These services have high fixed costs that bus service does not have, such as security at rail stations and maintenance of tracks, signals, and electric systems. The rail systems have not been able to generate sufficient ridership to meet the farebox recovery requirements.

In December 1999, the Commission on Transportation Investment (CTI) recommended that the 50 percent farebox recovery requirement be replaced with performance indicators and management audits. The CTI also recommended that should the farebox recovery change, State financial support and service policies should be applied equitably to the Baltimore and Washington transit areas. *Senate Bill 811/House Bill 1248* incorporate, in part, the recommendations of the CTI.

Net adjusted operating expenditures for fiscal 2001 for the MTA bus and rail lines are estimated at \$181.7 million. Expected revenues are \$79 million, representing a farebox recovery of 43.5 percent. In order to meet a 50 percent recovery rate, the MTA would have had to either cut \$23 million in service or increase fares \$0.35 to raise \$11.8 million in revenues. The legislation will allow MTA to continue its current and projected level of service while being in compliance with the farebox recovery mandate. However, to the extent a lower farebox recovery requirement decreases incentives to control mass transit costs or raise additional revenues, State mass transit expenditures for the MTA will increase. For each 1 percent reduction in farebox recovery, State MTA subsidy costs from the Transportation Trust Fund (TTF) increase \$1.8 million annually.

Net adjusted operating expenditures for fiscal 2001 for the Washington Metropolitan Area Transit Authority (WMATA) and local bus service are estimated at \$720.7 million. Expected revenues are \$375.6 million, representing a farebox recovery of 52.1 percent. Accordingly, the bill's changes to the "service deficit" definition will not affect the current level of State participation in the WMATA and local bus service system. However, to the extent a lower farebox requirement decreases incentives to control mass transit costs or to raise additional revenues, State mass transit expenditures for WMATA will increase. For each 1 percent reduction in farebox recovery, State WMATA subsidy costs from the TTF increase \$1.4 million annually.

Senate Bill 811/House Bill 1248 also require the MTA and Prince George's and Montgomery counties to: (1) establish performance indicators for their respective transit systems to track service efficiency; and (2) submit an annual

performance report to the Senate Budget and Taxation Committee, the House Ways and Means Committee, and the House Appropriations Committee by December 1 of each year.

Finally, the legislation creates an 18-member Transit Policy Panel to study and make recommendations on the Baltimore and Washington transit systems. The panel is required to report its findings and recommendations to the General Assembly by December 1, 2000. The bills terminate the panel at the end of December 2000.

Mass Transit Funding

In order to create a dedicated source of mass transit funding (in addition to funding from the TTF), *Senate Bill 286/House Bill 1 (both failed)* would have dedicated 20 percent of sales and use tax revenue (one cent of the five cent tax) to a newly-created Mass Transit Account of the TTF. The revenue dedication would have been phased in, so that in fiscal 2001, 2 percent of the sales and use tax revenue would have been dedicated to the Mass Transit Account, increasing 2 percent per year until fully phased in in fiscal 2010. The Mass Transit Account would have been used only to fund the capital and operating expenses of the MTA, the capital and operating expenses of the WMATA, and local grants to local jurisdictions for mass transit capital and operating expenses. The Mass Transit Account funds would have been in addition to projected TTF funding for mass transit as identified in the approved Consolidated Transportation Program (CTP) for fiscal 2000 through 2005.

General fund revenues would have decreased by approximately \$51.8 million in fiscal 2001 and revenues to the TTF would have increased by a corresponding amount, due to the dedication of 2 percent of sales tax revenue to the Mass Transit Account of the TTF. The bills would have provided that, when fully phased in in 2010, approximately \$805 million of the projected \$4.0 billion in sales and use tax revenue would be dedicated to the TTF.

In its December 1999 report, the CTI identified at least \$27 billion in unmet transportation capital needs over the next 20 years, of which \$6.1 billion are mass transit projects.

Hughesville-Lexington Park Railway Corridor Commission

Senate Joint Resolution 8 (passed) requests the Governor to establish a ten-member Hughesville-Lexington Park Railway Corridor Commission to consider ways to initiate implementation of the recommendations of the 1998 Hughesville to Lexington Park Right-of-Way Preservation Study. According to the 1998 study, the Southern Maryland Railroad right-of-way from Hughesville to Lexington Park is slowly disappearing. The study recommends that the railroad right-of-way be preserved. The study concludes that it is in the best interest of the State to protect existing railroad rights-of-way for possible future use because the cost of acquiring rights-of-way is escalating due to population growth and increasing land values. The commission's report is due by July 1, 2001.

Highways

House Bill 949 (passed) provides that a property owner whose property is subject to a "quick-take" condemnation by the State Roads Commission is entitled to receive any amount paid into the court for that property within ten business days of the written request for the funds. Currently, in proceedings for "quick-take" condemnation of property, the State Roads Commission must pay to the owner, or into the court for the benefit of the property owner, the estimated fair value and fair compensation for the property to be condemned. The property owner is entitled to receive the funds from the court upon written request while awaiting the final award from the condemnation proceedings. There is no time frame specified in current law by which the property owner should receive the funds.

House Bill 1010 (passed) alters the informational sign program administered by the State Highway Administration (SHA). The bill allows SHA to post signs informing motorists of attractions as well as other services along controlled access highways throughout the State as long as such signs comply with applicable federal standards.

SHA is required to consult with the Department of Business and Economic Development and local officials concerning the type, size, number, lighting, and placement of signs under the program and to report back to the General Assembly in 2002 concerning the installation of signs under the program.

Bicycle and Pedestrian Access: House Bill 1147 (passed) provides for a Director of Bicycle and Pedestrian Access in the Office of the Secretary of Transportation. The bill requires the director to develop and coordinate policies and plans for the provision, preservation, improvement, and expansion of access to transportation facilities in the State for pedestrians and bicycle riders, including the development of a statewide bicycle-pedestrian 20-year master plan before October 1, 2002. The master plan must include short-term and long-range goals and reasonable cost estimates for reaching those goals. In addition, the master plan must establish objective performance criteria against which progress in achieving the goals can be measured.

Each fiscal year, MDOT is required under the legislation to budget an amount sufficient to fund projects and programs determined by the Secretary to be necessary to achieve the bicycle and pedestrian transportation goals detailed in the master plan. The goals may include the construction and maintenance of public bicycle areas, bicycle ways, and sidewalks.

Aviation

House Bill 17 (passed) requires the Maryland Aviation Administration (MAA) to implement a Regional Air Service Development Program in fiscal 2001. The bill authorizes the MAA to grant to any person the privilege of operating scheduled regional air service to and from any community in the State that is determined by the MAA to be in need of, and capable of supporting, such air service. If the MAA determines that financial assistance is warranted, it may grant or loan funds to the person operating the air service. Grants associated with this service must be approved by the Board of Public Works.

The legislation requires the MAA to develop a strategic plan for regional air service in the State prior to granting any person the privilege to operate such service. The strategic plan must at least identify and consider: (1) the areas of the State most in need of regional air service; (2) the target passenger market in the State; (3) optimal flight and fare schedules to serve the target market in an efficient and cost-effective manner; (4) options for aircraft to be employed; and (5) direct and indirect operating costs and potential revenue sources, including passenger fares and federal, State, and local revenues. The MAA must also recommend to the Secretary of MDOT the policies and spending priorities to implement the strategic plan.

The measure requires the Secretary to seek full funding of the program in the department's annual budget request beginning in fiscal 2001 and in each year thereafter. The bill limits State financial assistance to \$1 million in fiscal 2001, \$2 million in fiscal 2002, and \$3 million in fiscal 2003 to support regional air service at a maximum of three airports in each year. The program is to be funded, to the extent authorized by federal law, through the TTF, available federal funds, or general funds if other funds are insufficient to cover the cost of the program. During the 2000 session, Supplemental Budget No. 2 added \$1.0 million in general funds to the Board of Public Works' budget for this purpose. The bill also requires MDOT to seek federal funding under the federal Air-21 program.

MDOT has issued a Request for Expressions of Interest (EOI) for regional air service from the Baltimore/Washington International Airport to Cumberland, Hagerstown, and St. Mary's County airports for a three- year period. The MAA advises that these routes will be targeted as a result of the bill. The EOIs will gauge the level of interest from private air carriers.

Finally, the MAA is required under the legislation to submit to the General Assembly by December 1, 2001, a report on the initial results of the program. Additionally, the MAA is required to submit a report to the Governor and the General Assembly by December 1, 2002, that evaluates the effectiveness of and the need for the Regional Air Service Development Program and the feasibility of continuing regional air service without a State subsidy. The report is to include recommendations regarding the continued financial support of the program from the general fund. ***House Bill 17*** has a sunset date of June 30, 2003.

Priority Funding Areas

Senate Bill 731/House Bill 1189 (both passed) require MDOT to establish measurable transportation goals and benchmarks on alternatives to automobile transportation in priority funding areas and to report annually on the

attainment of the goals and benchmarks. Beginning with the year 2002 CTP and the Maryland Transportation Plan, the bills require MDOT to report to the General Assembly regarding: (1) the establishment of measurable performance indicators or benchmarks in priority funding areas designed to quantify the goals and objectives specified in the Maryland Transportation Plan; and (2) the degree to which the projects and programs contained in the CTP and approved Maryland Transportation Plan attain those goals as measured by the performance indicators or benchmarks. The legislation specifies the types of indicators that MDOT should use to establish and measure goals and benchmarks. The report must be submitted each year prior to the legislature's consideration of the proposed CTP and Maryland Transportation Plan.

A similar initiative is being undertaken through fiscal 2001 operating budget committee narrative. The adopted language requires MDOT to develop a "Managing For Results" report that will accompany the CTP and be incorporated in the Maryland Transportation Plan. The report is to quantify the goals and objectives in the Maryland Transportation Plan and explain the effect the projects and the programs in the CTP have on attaining those goals and benchmarks.

Senate Bill 731/House Bill 1189 also establish a 13-member advisory committee to advise MDOT on the establishment of transportation goals, indicators, and benchmarks.

Motor Vehicles

Business Regulation

Automotive-Related Industries

During the 1998 session, the General Assembly established a Task Force to Study the Comprehensive Licensing of Automotive-Related Industries (see Chapter 378, Acts of 1998). The role of the task force was to address problems regarding automotive-related industries not subject to regulation or licensing by the Motor Vehicle Administration (MVA). While motor vehicle dealers, salesmen, manufacturers, distributors, factory branches, driving schools, automotive dismantlers and recyclers, and scrap processors are all licensed under the Maryland Vehicle Law, many related industries are not and in some cases this fosters illegal activity. The task force was to consider a broad-based effort to address all forms of unlicensed automobile-related activity, including auctions and automotive repair facilities. During the 1999 session, the task force was reestablished with a broader membership, reflecting additional automotive industries (see Chapter 318, Acts of 1999). The 1999 task force report to the General Assembly served as the basis for the legislation passed during the 2000 session.

Senate Bill 149/House Bill 114 (both passed) require automotive repair facilities and vehicle storage facilities to keep and maintain, for at least one year, accurate and complete records regarding vehicles that are being repaired or stored at the facilities and specified used major component parts located on the premises. Records of automotive repair facilities and vehicle storage facilities, as well as vehicle auctioneers, are subject to inspection by the MVA, the Department of State Police, or a law enforcement officer with a county or municipal police department or sheriff's office who is assigned to an antitheft unit. In lieu of producing records for inspection, a facility can produce other satisfactory evidence of proof of ownership or right of possession.

The bills authorize MVA inspectors to issue citations for violations involving required business records and unlicensed business activities. The bills also establish civil penalties of \$500 for a first offense and \$1,000 for subsequent offenses, to be assessed against an automotive repair facility, a vehicle storage facility, or a vehicle auctioneer that fails to maintain the required records or to allow an authorized inspection. Additionally, the bills modify the applicable criminal penalty for operating as an automotive dismantler and recycler or scrap processor without a license.

Driving Schools

Under Maryland's new graduated licensing system which took effect July 1, 1999, each new driver is required to complete a standardized driver education course regardless of the driver's age. The course involves 30 hours of classroom instruction and six hours of driving under professional supervision. The new graduated licensing system

doubled the number of individuals required to complete driver education each year. Prior to July 1999, driver education was only required for new drivers under the age of 18. However, the General Assembly and the MVA continued to have concerns about ensuring quality instruction by each school.

Senate Bill 40/House Bill 541 (both passed) authorize the MVA to immediately suspend a driver's school or driver instructor's certification in cases where the MVA determines there is a danger of immediate, substantial, and continuing harm to the public if the certification is continued pending a hearing. However, the MVA must grant an administrative hearing within seven days of a request for a hearing and render an immediate decision after the hearing as to whether or not a certification suspension or revocation shall be continued. The bills also expand the grounds upon which the MVA may act against the certification of a driving school or driving instructor by including a conviction of any crime of moral turpitude.

Commercial Vehicles

Commercial Vehicle Information Systems and Network Transponders

The Commercial Vehicle Information Systems and Network (CVISN) is a program initiated by the Maryland Department of Transportation to allow for the electronic screening and clearance of individual commercial vehicles on the highway. The CVISN program operates by the use of transponders installed in commercial vehicles that transmit information about a vehicle to inspectors, allowing them to determine which vehicles should stop for inspections and which can bypass weigh stations and other inspections.

Senate Bill 45 (passed) prohibits a person from knowingly removing a CVISN transponder from the vehicle to which it is registered and placing it in another vehicle. A CVISN transponder must stay with the vehicle to which it is originally registered in order for the program to be effective. The registered owner of a vehicle containing a CVISN transponder that is not registered to that vehicle is liable for a violation of this prohibition, unless the operator or a person other than the registered owner is found to be solely responsible or the registered owner is the lessor of the vehicle under certain circumstances. A person convicted of removing a CVISN transponder and placing it in another vehicle is disqualified from driving a commercial motor vehicle for one year and may be fined up to \$500 or imprisoned for up to six months.

Fines

Commercial Drivers' Licenses: House Bill 207 (passed) establishes a three-tiered criminal penalty structure for specified offenses under the Maryland Commercial Driver's License Act. The enumerated offenses relate to the unauthorized operation of a commercial motor vehicle, operation without a required or appropriate endorsement, or driving a commercial vehicle without the appropriate class of license. The bill increases the applicable penalties and is structured to provide increased deterrence aimed at repeat offenders.

Safety Inspections and Violations: The driver of a commercial vehicle must stop and submit to measurement or weighing of the vehicle when directed to stop by a police officer or a CVISN transponder to determine if the size or weight of the vehicle is in violation of the law. ***House Bill 448 (passed)*** gives a police officer the authority to take a vehicle into temporary custody in order to inspect the vehicle if the driver does not comply with the police officer's or CVISN transponder's directions to stop for an inspection. In addition to penalties imposed on the driver for failing an inspection, a driver who fails to stop is responsible for additional costs incurred in inspecting the vehicle and a criminal penalty of up to \$1,000 for a first offense, up to \$2,000 for a second offense, and up to \$3,000 for a third offense.

House Bill 448 makes it an offense to move a vehicle with an oversized or overweight load without the required permit or in violation of any condition of the permit. In addition, the bill modifies the penalties for vehicle weight violations, employing a graduated scale with harsher penalties for more severe violations. Finally, the bill imposes a graduated scale of criminal penalties applicable to specified vehicle safety violations, with increased penalties applicable to the repeat offender.

Driver Licenses

Issuance and Renewals

The MVA is developing a new driver's license system that is scheduled for implementation during the Spring of 2001. The new system will enable the MVA to renew drivers' licenses by mail or the Internet and renew photo licenses for applicants who are out of the State. In anticipation of this new system, **House Bill 1274 (passed)** repeals a requirement that an applicant for renewal of a license appear before the MVA in person. However, unless the applicant is absent from the State, the MVA may not renew a license for more than one consecutive term without requiring the applicant to appear in person. The MVA plans to continue to require a vision test at each renewal, but a digital file photo would be used in cases where an applicant renews a driver's license without appearing in person. The bill also repeals a requirement that a photograph for a license or an identification card for an individual under 21 be shown as a profile view and authorizes the MVA to establish the procedure for taking such photographs. Finally, the bill extends from six months to one year the time after the expiration of a license during which a license may be renewed without retaking a driving test.

House Bill 532 (passed) allows the MVA to issue a 90-day temporary license valid only in Maryland to a qualified applicant for reinstatement of a suspended or revoked license, renewed driver's license, or duplicate or corrected driver's license if the applicant's privilege to drive is revoked or suspended in another state for failing to comply with a licensing requirement that would not have resulted in a license revocation or suspension for a comparable violation in Maryland. The right to a temporary license only applies if the initial violation that led to the revocation or suspension did not occur within the past five years and the MVA determines that the applicant will be able to take any actions required by the other jurisdiction for reinstatement of the privilege to drive in that jurisdiction. The MVA is required to adopt regulations governing the issuance of temporary licenses under the bill.

License Restrictions

As a result of several high profile vehicle crashes involving minors, several bills intended to limit the number of passengers a teenage driver could transport in a motor vehicle were considered this session. **House Bill 125 (failed)**, **House Bill 333 (failed)**, and **Senate Bill 152/House Bill 127 (both failed)** would have prohibited a person under the age of 18 who holds a provisional license from operating a vehicle that is occupied by more than two passengers under the age of 21. (**House Bill 125** exempted members of the licensee's immediate family from the passenger restriction.) In addition, the bills would have prohibited a person under the age of 18 who holds a provisional license from operating a vehicle if the driver and each passenger are not restrained by a seat belt or child safety seat.

Suspensions and Revocations

Homicide by Motor Vehicle: Under current law, if a person is convicted of homicide by motor vehicle while intoxicated, intoxicated per se, or under the influence of alcohol, drugs, or a controlled dangerous substance, that person receives a 12 point assessment against their license and the MVA is required to revoke the license. However, the person may appeal from the revocation and the MVA is then required to stay its decision for up to 120 days. **House Bill 1108 (passed)** requires the MVA to revoke the license of any person convicted of homicide by motor vehicle while intoxicated or under the influence of alcohol, drugs, or a controlled dangerous substance and prohibits the issuance of a temporary license pending an administrative appeal.

Outstanding Arrest Warrants: **House Bill 1259 (passed)** requires the MVA to suspend the driver's license or privilege to drive of a person who is named in an outstanding arrest warrant upon notification by a law enforcement agency that has met criteria established by the MVA and entered into an agreement with the MVA. The bill also requires the MVA to refuse to register or transfer a vehicle if the applicant is named in an outstanding arrest warrant. These requirements only apply to an arrest warrant that is at least 31 days old and which the law enforcement agency attempted, but failed, to serve on the person named in the warrant because of an inability to locate the person.

In order to facilitate the process of suspending the license or refusing to register the vehicle of a person named in an outstanding arrest warrant, **House Bill 1259** authorizes specified identifying information contained in the arrest warrant

to be released to the MVA. The MVA must notify a person of any action that will be taken as a result of an outstanding arrest warrant and give that person the opportunity to contest the action. However, the only issue in a hearing to contest an action is mistaken identity. Under the legislation, once a person's license has been suspended, or a registration refused, the MVA may not reverse that action until it has been ordered to do so by a court or until a law enforcement agency informs the MVA that the person named in the warrant has been arrested or that the warrant has been otherwise satisfied.

Drunk and Drugged Driving

As in previous sessions, drunk driving continued to command considerable attention. Several bills were introduced with differing approaches to curb the incidence of drunk and drugged driving in Maryland. Attempts were made to modify the Ignition Interlock System Program, modify license suspensions due to drunk driving, and increase penalties for subsequent drunk and drugged driving offenses. These measures were largely unsuccessful.

Administrative Per Se Offenses

If a police officer stops a person for suspected drunk or drugged driving, and the person refuses to take a breath or blood test to determine alcohol content or takes a test which results in an alcohol concentration of 0.10 or more, the police officer is required to confiscate the person's driver's license. The person is then eligible to receive a 45-day temporary license if the original license was issued by the State of Maryland. At the time of the offense, the officer gives the person a certification form that contains the order of suspension and the temporary license. But a temporary license does not contain a photo of the licensee, and since a person is prohibited under the Maryland Vehicle Law from having a license and identification card simultaneously, personal identification under these circumstances can be difficult. *Senate Bill 70/House Bill 929 (both passed)* address the problem by authorizing the MVA to issue a photo identification card to a person whose driver's license has been confiscated.

Evidence of Alcohol and Drug Concentration

House Bill 676 (passed) clarifies that copies of reports detailing the results of a breath or blood test to determine alcohol concentration, signed by the technician or analyst who performed the test, are admissible without the presence or testimony of the technician or analyst who performed the test in any criminal trial in which a violation of any type of alcohol restriction is at issue provided that the evidence is not obtained in violation of procedural requirements under Title 10, Subtitle 3 of the Courts and Judicial Proceedings Article.

Under § 10-309 of the Courts and Judicial Proceedings Article, evidence of a test or analysis obtained in violation of specified procedural requirements is not admissible in a prosecution for driving while intoxicated or intoxicated per se, under the influence of alcohol, or under the influence of a drug or combination of drugs, a combination of one or more drugs and alcohol, or a controlled dangerous substance. The Court of Appeals has held that § 10-309 also applies to prosecutions for violations of Article 27, §§ 388 (manslaughter by automobile, vehicle, vessel, etc.) and 388A (manslaughter by motor vehicle or vessel while intoxicated) of the Code. *State v. Loscomb*, 291 Md. 424 (1981).

House Bill 676 codifies the *Loscomb* decision for prosecutions under Article 27, §§ 388 and 388A of the Code and, consistent with the *Loscomb* decision, specifies that evidence of a test or analysis obtained contrary to required procedures is not admissible in a prosecution for violating an alcohol restriction (§ 16-113 of the Transportation Article), operating a vessel while intoxicated or under the influence of alcohol, drugs, or a controlled dangerous substance (§ 8-738 of the Natural Resources Article), or causing life threatening injury by motor vehicle or vessel while intoxicated or under the influence of alcohol, drugs, or a controlled dangerous substance (Article 27, § 388B).

Intoxicated Per Se

Efforts to reduce the alcohol level constituting intoxication per se failed to pass again this year. *Senate Bill 568 (failed)* would have lowered the intoxicated per se level from 0.10 to 0.08 while also reducing the alcohol concentration that is prima facie evidence of an individual driving under the influence of alcohol from a level between 0.07 and 0.10 to between 0.07 and 0.08 at the time of testing.

Miscellaneous Criminal Penalties and Driving Restrictions - "Superdrunk"

Senate Bill 524/House Bill 1138 (both failed) would have made numerous changes to various criminal and administrative penalty provisions applicable to alcohol-related driving offenses, including providing enhanced penalties for a person who is convicted of or pleads nolo contendere to driving with an alcohol concentration of more than 0.16 at the time of testing.

The bills would have required a court to order a person who tested at more than 0.16 not to drive, or attempt to drive, with any alcohol level if the person is convicted, adjudicated delinquent, pleads nolo contendere, or receives probation before judgment for causing the death of or a life threatening injury to another person as a result of negligent driving while intoxicated or intoxicated per se. The bills would have required the MVA to impose an alcohol restriction, prohibiting driving with any alcohol level, on a driver found to have had an alcohol concentration of more than 0.16 at the time of the offense.

Refusal to Submit to Test for Alcohol, Drugs, or Controlled Dangerous Substances

Without a test result in a drunk or drugged driving case, it is more difficult to obtain a guilty plea or verdict for the more serious offenses of driving while intoxicated or driving under the influence of a controlled dangerous substance. *House Bill 994 (failed)* would have repealed the current statutory provision that no inference or presumption concerning either guilt or innocence arises because of a defendant's refusal to submit to a blood or breath test in a prosecution of certain drug-related or alcohol-related driving offenses. The bill would have retained the statutory provision that the refusal to submit to such tests is admissible as evidence at trial. Thus, under *House Bill 994*, evidence of a refusal to submit to such a test would have become admissible as relevant to the guilt or innocence of the defendant.

Motor Vehicle License Plates

Chesapeake Bay Commemorative License Plate Program

In 1990, the General Assembly authorized the MVA to issue a special commemorative license plate for any geographical, historical, natural resource, or environmental commemoration of statewide significance. The MVA has since issued the popular Chesapeake Bay plate, benefitting the Chesapeake Bay Trust. The Chesapeake Bay plate appears on more than 600,000 vehicles. For each \$20 purchase of a Chesapeake Bay plate, \$12 goes to the trust while \$8 is retained by the MVA to cover production and administration costs. Since its inception, the Chesapeake Bay plate has raised approximately \$7.9 million for the trust. The trust, in turn, awards grants to various civic and community groups, environmental organizations, schools, and public agencies. Under the original 1990 legislation, a single commemorative plate could only be issued for two consecutive years. However, the General Assembly has since reauthorized issuance of the Chesapeake Bay plate every other year. Because of the Chesapeake Bay plates' continuing popularity, *Senate Bill 19/House Bill 169 (both passed)* extend the termination date of the Chesapeake Bay commemorative license plate until July 1, 2002.

Special Registration Plates Honoring State Agriculture

Senate Bill 281/House Bill 486 (both passed) establish a special vehicle registration plate to honor Maryland Agriculture and to benefit the Maryland Agricultural Education Foundation. Unlike the Chesapeake Bay plate program in which the purchaser of the plate makes a one-time donation, the agricultural plate program provides that a contribution will be made to the foundation when the plate is first purchased and each time the plates are renewed. Because it is anticipated that the agricultural plate will have a higher appeal in rural communities, the agricultural plate is not anticipated to affect sales of the Chesapeake Bay plate, which are higher in the metropolitan regions of the State. The provisions authorizing the special agricultural plate terminate June 30, 2006.

Registration and Titling

Excise Tax Exemptions

House Bill 557 (passed) exempts a niece or nephew of a transferor of a vehicle from paying an excise tax on the

vehicle if the transferor is at least 65 years old at the time of the transfer and no money or other consideration is involved in the transfer. This adds to a list of inter-family transfers exempt from the excise tax under the Maryland Vehicle Law, including transfers to a spouse, child, grandchild, parent, grandparent, or in-law of the transferor.

New Residents

The Maryland Vehicle Law requires new Maryland residents to register their vehicles in Maryland within 30 days of establishing residency. *Senate Bill 32 (passed)* extends this period to 60 days. The period during which a new resident is entitled to a credit against the Maryland excise tax for taxes paid by new residents to their former state of residence also is extended to 60 days. The 60-day registration period is consistent with that required by several states in the region, including Delaware, New Jersey, Pennsylvania, and Virginia.

Registration Plates - Continued Use

In general, if the title or ownership in a vehicle is transferred from one individual to another, new registration plates must be obtained for a bi-annual fee of \$70. However, the registration plates can be transferred if the title or ownership in a vehicle is transferred from the joint names of a husband and wife to the individual name of either spouse, or from the individual name of either spouse to their joint names.

Senate Bill 34 (passed) expands the list of title or ownership transfers for which registration plates may be transferred to include: (1) transfers between the joint names of parent and child to either individual's name; (2) transfers between an individual and the joint names of the individual and the individual's parent or child; and (3) transfers between the name of an individual and the name of the individual's parent or child. A transferee will still pay a fee for the new registration, but will not be required to pay the \$70 fee for new registration plates.

Rules of the Road

Aggressive Driving

Aggressive driving and reckless driving continue to receive a fair amount of attention in the media and in the General Assembly. Numerous bills were considered that attempted to address the threats to safety posed by drivers exhibiting such behavior. Most of these measures, however, were unsuccessful.

Reckless Driving - Penalties: A person is guilty of reckless driving if the person drives a motor vehicle in wanton or willful disregard for the safety of persons or property or in a manner that indicates such wanton or willful disregard. *Senate Bill 836 (passed)* increases the maximum fine for a conviction for reckless driving and the number of points a driver is assessed following a reckless driving conviction. Under the bill, a conviction will result in a six point assessment by the MVA rather than four points. The maximum fine for reckless driving is increased from \$500 to \$1,000.

Aggressive Driving Offense: Senate Bill 217 (failed) would have created a new offense known as "aggressive driving", based on the combination of exceeding the speed limit and violating two or more other specified moving violations at the same time or during a single and continuous period of driving. The underlying offenses were passing on right, following too closely, overtaking and passing vehicles, failure to yield right-of-way, or failure to stop at red light. A conviction under the bill would have resulted in a fine not exceeding \$500 or imprisonment not exceeding two months, or both. Following a conviction, the MVA would have assessed five points on the person's driving record.

Wireless Phones

Again this session, the use of wireless phones by individuals while driving continued to generate considerable discussion. *House Bill 43 (failed)* would have prohibited a driver of a motor vehicle in motion from using a telephone held by the driver. A violation would have been a misdemeanor, subject to a fine not exceeding \$500.

Student Transportation

According to the Maryland State Department of Education, the most serious problem associated with student transportation is drivers failing to stop for school buses that have stopped on a roadway to pick up or drop off children. Under the Maryland Vehicle Law, a driver of a vehicle is required to stop at least 20 feet from a school bus that is stopped on a roadway with its alternatively flashing lights activated. A survey conducted by the Department of Education shows that, during the 1996-97 school year, school bus drivers reported over 250 violations of this requirement. During the 1997-98 school year there were two fatalities and 14 injuries involving children at bus stops.

A person who fails to stop for a school bus as required by law is subject to a fine of up to \$500. The fine for this offense under the prepayment fine schedule is set at \$270. A person violating this provision is also subject to an assessment of points by the MVA following a conviction. ***House Bill 104 (passed)*** increases the number of points that are assessed from two points to three points.

House Bill 104 also establishes a five-year grant program designed to assist law enforcement in addressing the problem of drivers failing to stop for school buses. The Department of State Police will administer the program and award grants to law enforcement agencies. The grants will be awarded from the School Bus Safety Enforcement Fund, which will be funded from uninsured motorist penalties collected by the MVA. The amount of money to be transferred to the fund is \$600,000 each year through fiscal 2005. A law enforcement agency that receives a grant must use the money to stop drivers from illegally passing school buses and comply with reporting requirements established by the Secretary of State Police for purposes of evaluating the program. On or before March 1, 2002, and by March 1 of each year thereafter, the Secretary of State Police must report to the Governor and the General Assembly on the grants awarded, the status of the fund, and the effect of this program in reducing the problem of drivers failing to stop for school buses. The grant program will terminate on June 30, 2005.

Part I

Business and Economic Issues

Business Occupations

Bay Pilots and Docking Masters

Pilots safely guide cargo ships between the open seas and ports. The federal government regulates, through licensure by the U.S. Coast Guard, pilots on American flag vessels. Ships traveling among United States ports need to have only a federally licensed pilot on board, but state pilots are generally required to be on board each vessel engaged in foreign trade when it is underway in the navigable waters of that state. These state pilots can be held accountable for their actions through reprimand, license suspension, or license revocation, whereas federal licenses have no jurisdiction over vessels engaged in foreign trade.

Often, as in Maryland, having a federal license is a prerequisite to state licensure. A state pilot's license requires more education, additional testing, the approval of a state regulatory board, and usually completion of an apprenticeship training program. Currently, a state-licensed pilot must be employed to pilot each American vessel engaged in foreign trade and each foreign vessel when it is underway on the navigable waters of Maryland, including when the vessel is towing or being towed by another vessel. However, Maryland law provides an exception to this general rule, allowing docking masters to operate without state pilots on board when:

- maneuvering during berthing or unberthing operations; and/or
- shifting within a port with tug assistance and a docking master aboard the vessel.

Consequently, two types of ship pilots service the Port of Baltimore. Bay pilots (a.k.a. Maryland pilots or state pilots) are licensed by the Maryland State Board of Pilots and pilot ships from the time they enter State waters until they require tug boat assistance. At that time, a docking master (a.k.a. harbor pilot) assumes command. Docking masters are employed by tug boat companies and are responsible for berthing ships. All three Port of Baltimore towing companies require that docking masters hold a first-class federal pilot's license.

This two-pilot system is not unusual: all major ports on the East Coast -- from Portland, Maine to Jacksonville, Florida -- use both state pilots and docking masters. The two-pilot system worked well until the labor strikes occurred during the 1980s when gaps in accountability were exposed. Some towing companies replaced docking masters with individuals who were not familiar with the ports as well as those who did not hold federal licenses.

The federal government commissioned a three-year study by the National Research Council (NRC) to assess the accountability issues. In October 1994, the NRC recommended that all movements of ships in U.S. waters be directed by a state-licensed pilot, downgrading the status of a federal pilotage license to an entry-level requirement for obtaining a state or port-controlled license. In addition, the NRC urged the U.S. Coast Guard to close existing gaps in the system which allow a variety of pilots, including docking pilots on the East Coast, to operate on foreign-flag ships without a state pilot's license. It was suggested that these pilots could be consolidated into existing state pilotage associations or be granted local licenses and still remain independent of the state pilotage organizations in their area.

The U.S. Coast Guard has been working with the various port authorities to ensure accountability for pilotage because the only penalty it can generally levy related to foreign vessels is negligent operation of tug boats. Two means of ensuring accountability have been put forward: either require that state pilots remain on board vessels during all movements or also license, at the state level, docking masters.

Senate Bill 237 (passed) establishes the State Board of Docking Masters within the Department of Labor, Licensing, and Regulation and requires that docking masters be licensed by the State. Like other regulatory boards, the State Board of Docking Masters is subject to the Maryland Program Evaluation Act. The board is responsible for adopting

regulations and pass orders to govern and regulate licensed docking masters and for safety in providing docking services.

In addition, *Senate Bill 237* establishes a Joint Committee on the Port of Baltimore to assess the competitive position of the port and annually report to the Governor and the Legislative Policy Committee of the General Assembly. Legislation to address these accountability concerns was introduced in the 1998 and 1999 sessions but did not pass.

Under current law, the Public Service Commission establishes pilotage fees and charges for pilotage services to vessels. The commission imposes an assessment on the Association of Maryland Pilots for expenses incurred by the commission in determining the fees and charges. Under *Senate Bill 237*, the commission establishes fees and charges for a licensed docking master to provide docking services in the ports of Maryland. The commission imposes an assessment on the licensed docking masters for the expenses incurred by the commission.

Real Estate Appraisers

House Bill 96 (passed) establishes a real estate appraiser trainee license that will be issued by the State Commission of Real Estate Appraisers. This bill formalizes many current practices and provides a framework for regulating and monitoring real estate appraisers as they progress from trainee to full certification. The trainee license is valid for three years and may be renewed for one additional three-year period. A trainee may provide certain real estate appraisal services only under the supervision of a supervising appraiser.

Real Estate Brokers

Real estate brokers are required under current law to take 15 clock hours of continuing education courses every two years; however, brokers licensed for ten years or more only have to complete six clock hours. The 15-hour requirement includes one three-hour course that discusses changes in the law and a one and one-half hour course that discusses fair housing laws and regulations. Courses must be taken in-State from a professional association or institution approved by the State Real Estate Commission. *House Bill 844 (passed)* expands what qualifies as continuing education credit for real estate brokers. The commission will be able to accept continuing education credit from out-of-state courses. The commission is also required to have in place, by January 1, 2002, regulations for accepting continuing education credit through alternative instructional media such as Internet-based courses. Approved subject matter for continuing education courses will be expanded and could include course-work related to real estate brokerage services.

Plumbers and Natural Gas Fitters

Currently, there are three separate boards that have regulatory jurisdiction in Maryland over natural gas fitters. The State Board of Plumbing regulates 20 counties and Baltimore City, the Washington Suburban Sanitary Commission regulates Montgomery and Prince George's counties, and Baltimore County has its own board. These three regulatory bodies have developed different rules regarding gas fitters. *Senate Bill 699 (passed)* establishes three new professional designations under the State Board of Plumbing: master natural gas fitter, journeyman natural gas fitter, and apprentice natural gas fitter. The bill requires that anyone who provides natural gas services in the 20 counties and/or Baltimore City be licensed by the board as a plumber or a natural gas fitter.

Private Detectives

House Bill 1402 (passed) allows an individual who is not certified as a private detective to provide private detective services if: (1) the individual is employed or has applied for employment with a licensed private detective agency; (2) the detective agency has submitted the individual's application, fingerprint cards, and applicable fees to the State Police; (3) the individual passes a preliminary background check; and (4) the application has not been denied. *House Bill 1402* does not change the requirements to be certified as a private detective, which include submitting a sworn application with two sets of fingerprints and paying the \$50 application fee and the cost of the fingerprint card record checks. *House Bill 1402* is similar to the codified language in Chapter 602 of 1996 which allows a licensed security guard agency to hire an uncertified individual if the agency has submitted an application with fingerprint cards and a records fee to the Secretary of the State Police and the Secretary has not disapproved the application. *House Bill 1402*

passed as an emergency bill and takes effect when it is signed by the Governor.

Security Systems Technicians

Under current law, the Secretary of the State Police may deny an application, or suspend or revoke the registration of a security system technician, if the applicant or registrant pleads guilty or nolo contendere to, or is convicted of, a felony, theft offense, or crime of moral turpitude. *House Bill 1298 (passed)* requires that, before a registration is denied, the Secretary must consider certain factors. The factors to be considered are: (1) the length of time since the applicant pleaded guilty or nolo contendere to, or was convicted of, the crime; (2) whether the applicant was a security system technician prior to the registration requirements; and (3) any evidence that the applicant has been a good citizen since the applicant pleaded guilty or nolo contendere to, or was convicted of, the crime.

Business Regulation

New Home Builders

Currently, new home builders are not required to be licensed or registered with the State. The State may only bring an action against a home builder that has committed an unfair or deceptive trade practice under the Consumer Protection Act. In the last three years, the Division of Consumer Protection of the Office of the Attorney General received approximately 677 complaints about home builders. Approximately 75 percent of the complaints were for construction defects, while the remaining 25 percent were

based on financial practices and contract compliance of the builder. While approximately 40 percent were successfully mediated, in a majority of the cases the consumer either had to bring a private action in court or was without adequate means of redress.

In response to these problems, the General Assembly passed legislation to regulate new home builders. *Senate Bill 380/House Bill 811 (both passed)* create a home builders registration unit in the Office of the Attorney General, Division of Consumer Protection. The unit is required to develop a consumer pamphlet, in consultation with the home building industry, that describes the rights and remedies of consumers in the purchase of a new home. The division must provide each registered home builder with copies of the consumer information pamphlet, and the home builder must provide each contract purchaser with the pamphlet before entering into a contract for the initial sale of a new home.

The bills establish a Home Builder Registration Fund, into which all fees collected under the Maryland Home Builders Registration Act (MHBRA) are to be deposited. The money in this fund may be used for administration and enforcement of the MHBRA.

Under the bills, each person who acts as a home builder in the State must be registered as a home builder with the unit. Each home builder is required to maintain general liability insurance in the amount of at least \$100,000. If the registration of a home builder has been revoked, the unit has discretion to approve a new registration for the home builder conditioned on the fulfillment of specified terms and conditions, including the posting of a bond. The bills exempt lenders who complete a home builder's unfinished project pursuant to a default in obligations of the first home builder to the lender from obtaining a builder registration number from the Consumer Protection Division; however, an exempt lender is subject to certain provisions of the registration law.

Home builders are required to post prominently the home builder registration number at each property where the home builder is doing any work covered by the MHBRA, and in the case of a home builder doing work on multiple new homes, to post the registration number at one central location in the project. Under the bills, counties and municipal corporations are prohibited from issuing a home building permit without a home builder registration number of the builder, except when issued for a property owner's own use.

Various grounds for denial, suspension, or revocation of a registration are established, including engaging in a pattern of poor workmanship as evidenced by repeated unresolved building code violations, repeated unsatisfied arbitration

awards, or an unsatisfied final judgment that results in a consumer filing a complaint under the Consumer Protection Act. Under the bills, the home builders registration unit is required to encourage the owner or buyer to pursue resolution of any dispute pursuant to the existing contract. The unit is authorized to bring a cease and desist action against a home builder that is not registered. In addition, a home builder that is not registered is subject to criminal and civil penalties.

Senate Bill 380/House Bill 811 also require the contract for the initial sale of a new home to contain the following information printed in conspicuous type: (1) the home builder's registration number; (2) a provision stating that the new home must be constructed in accordance with all applicable building codes; (3) a provision referencing all performance standards or guidelines; and (4) the purchaser's right to receive a consumer pamphlet.

The bills require the Consumer Protection Division to study the feasibility of a new home builder guaranty fund and to report its findings and recommendations to the Senate Finance Committee and the House Economic Matters Committee by October 1, 2003. The division is also required to submit annual reports of its activities regarding home builders to the Governor and the General Assembly beginning November 1, 2001. The bills are effective January 1, 2001.

Home Improvement Contractors

Home Improvement Guaranty Fund

House Bill 548 (passed) increases from \$50,000 to \$100,000 the maximum amount of unreimbursed payments that the Maryland Home Improvement Commission may pay to homeowners from the Maryland Home Improvement Guaranty Fund before the commission may pay any approved claims proportionately. This provides uniformity with Chapter 137 of 1999, which increased to \$100,000 the maximum amount that may be awarded from the fund to all claimants for the acts or omissions of one contractor unless, after the commission has paid out \$100,000, the contractor reimburses \$100,000 to the fund.

Senate Bill 362/House Bill 581 (both passed) increase from \$10,000 to \$15,000 the maximum amount that may be awarded from the fund to a single aggrieved homeowner for the acts or omissions of one contractor.

Sunset Laws

Senate Bill 362/House Bill 581 also continue the Maryland Home Improvement Commission until October 1, 2012. The commission was the subject of a sunset evaluation by the Department of Legislative Services during the 1999 interim. The department found that the commission is adequately run and that there are few complaints from the public or the industry regarding the commission's operations.

In addition, the bills require the Department of Labor, Licensing, and Regulation to submit to the Senate Economic and Environmental Affairs Committee and the House Economic Matters Committee by October 1, 2002, a report that evaluates:

- the number of complaints and claims processed by the commission and the need for additional support staff or investigators;
- the impact of a seventh commission member on the ability of the commission to process complaints and claims in a timely manner and the need for any additional members;
- obstacles to timely pay-outs and methods to streamline the claims procedure in order to ensure timely pay-outs for aggrieved consumers; and
- the status of the Home Improvement Guaranty Fund and the impact of the increase in the amount awarded against a single contractor.

State Athletic Commission

Sunset Laws

Senate Bill 363/House Bill 580 (both passed) extend the termination date of the State Athletic Commission to July 1, 2011. The commission was the subject of a sunset evaluation by the Department of Legislative Services during the 1999 interim. The department found that the commission is well-run and that there are few complaints from the public or the industry regarding the commission's operations.

In addition, the bills require the commission to submit to the Senate Economic and Environmental Affairs Committee and the House Economic Matters Committee on or before October 1, 2001, a report that evaluates: (1) the popularity of full contact martial arts in Maryland and whether it should be regulated; and (2) the commission's efforts to market boxing and wrestling in Maryland.

State Collection Agency Licensing Board

Sunset Laws

Senate Bill 575/House Bill 574 (both passed) extend the State Collection Agency Licensing Board to July 1, 2012. During the 1999 interim, the Department of Legislative Services conducted a preliminary evaluation of the board under the Maryland Program Evaluation Act. The department determined that the board is fulfilling its statutory obligations and as a result, the department's evaluation recommended that the board be waived from a full sunset evaluation and that the termination date of the board be extended ten years. The Legislative Policy Committee voted to waive the board from a full sunset evaluation.

Charitable Solicitations

Public Safety Solicitors

According to the Office of the Secretary of State, because solicitors for law enforcement or badge-related organizations are not currently required to register with the Charitable Organizations Division of the office, the division is unable to provide information to citizens on the fund-raising practices of these organizations or investigate complaints of overly aggressive or deceitful solicitors. There is growing concern among citizens, consumer groups, state charity regulators, and other national organizations that some solicitors raising funds on behalf of public safety organizations are not providing efficient and effective fund-raising services and are misleading the public about the uses of the funds raised. In addition, the division frequently receives complaints about questionable fund-raising tactics, such as solicitors implying that the public safety organization would not provide emergency services unless the individual being solicited agreed to make a donation.

With the passage of *Senate Bill 71 (passed)*, Maryland joins 31 other states, including the adjoining states of Pennsylvania, Virginia, and West Virginia, that require public safety solicitors to register. This bill requires persons who solicit contributions on behalf of public safety organizations to register with the Secretary of State and submit a \$25,000 surety bond or letter of credit.

Senate Bill 71 changes the name of the Maryland Charitable Solicitations Act to the Maryland Solicitations Act, expressly applies the act to a "public safety solicitor" employed by a volunteer organization of fire fighters or rescue or ambulance personnel, and gives the Secretary of State the same investigative and enforcement authority over public safety solicitors as the Secretary of State currently has over charitable organizations and charitable representatives. The bill also prohibits a public safety solicitor from making deceptive or misleading statements and using high-pressure tactics in soliciting the public.

Other Changes to the Maryland Charitable Solicitations Act

Senate Bill 75 (passed) makes several changes to the Maryland Charitable Solicitations Act. First, the bill clarifies that a charitable organization that qualifies for an exemption is only exempt from the registration and disclosure requirements of the Act; that is, the organization would still be subject to the remaining provisions of the Act,

including the prohibited acts and penalty provisions. According to the Office of the Secretary of State, failing to subject all organizations soliciting charitable contributions in Maryland to the provisions of the Maryland Charitable Solicitations Act concerning fraudulent solicitation, misrepresentation, and other prohibited activities would violate the intent of the Act.

Second, *Senate Bill 75* clarifies the categories of exempt organizations that are required to submit a fund-raising notice to the Secretary of State. Under the bill, organizations that *either* raise funds for a named individual *or* receive less than \$25,000 in charitable contributions are required to submit the fund-raising notice. The bill further requires that the notice be submitted annually, rather than only before starting a public solicitation.

Third, the bill authorizes a late fee of \$25 a month to be assessed (after a 60-day grace period) against a charitable organization that fails to file its annual report when due. An uncodified section of the bill requires that, beginning with the fiscal 2002 budget, at least one-half of the amount of the late fees collected in the preceding fiscal year be included in the budget for the Charitable Giving Information Program. The Secretary of State's Office indicates that enabling it to assess late fees will provide greater incentive for charitable organizations to report renewal information on a timely basis.

Finally, *Senate Bill 75* prohibits fund-raising counsel from making an agreement with a charitable organization unless the charitable organization has applied to register with the Secretary of State or is otherwise exempt. Additionally, a charitable organization is prohibited under the bill from making an agreement with a professional solicitor or fund-raising counsel unless they have applied to register with the Secretary of State or are otherwise exempt. Currently, only professional solicitors are prohibited from entering into an agreement with a charitable organization unless the charity has applied to register. The bill extends this provision to apply to fund-raising counsel, as well as the organization itself.

Retail Service Station Dealers

Senate Bill 354/House Bill 998 (both passed) extend to October 1, 2004, the conditional prohibition on the State Comptroller issuing a certificate of registration to any service station dealer who sells motor fuel through retail stations, which have been structurally modified since July 1, 1977, without the service station dealer's consent.

When this conditional prohibition was first passed in 1977, there was concern over the petroleum industry's trend away from local full-service gas stations and towards the "quick-stop" or "gas-and-go" type facilities, often run by large corporations. The belief was that such a trend would be bad for communities since corporations would be far less community oriented and responsive than locally owned full-service stations. This law was originally passed to try to slow down this trend, which continues today in a slightly different form. The emerging trend is for multi-corporate facilities, combining food/merchandise facilities with fuel facilities. With the continuing prohibition, a service station can only be converted with the service station dealer's consent, otherwise the Comptroller will not register the station, which means no motor fuel can be sold by the establishment.

Senate Bill 354/House Bill 998 also continue to September 30, 2004, the suspension of the voluntary allowance uniformity provision, which affords equal treatment among motor fuel dealers who have the same fuel supplier. If a supplier offers temporary price reductions in the wholesale price of fuel to a retail service station dealer, allowing the dealer to compete with the lower prices offered by a competitor, this price reduction must be extended to all other retail service station dealers supplied by the wholesaler. The continued suspension of this uniformity provision allows motor fuel wholesalers to be selective when granting breaks in wholesale prices to service station dealers.

Miscellaneous Business Licenses

House Bill 93 (passed) increases from \$100 to \$300 the fine for failing to obtain or to display specified business licenses under Title 17 of the Business Regulation Article. The bill covers the following business licenses: console machine, pinball machine, Wicomico County pinball machine, Garrett County amusement device, billiard table, construction, nonresident construction, wholesale farm machinery dealer, garage, peddler, magazine seller, junk dealer, scrap metal processor, agent for a junk dealer or scrap metal processor, Calvert County junk dealer or scrap metal

processor, cleaning and laundering, storage warehouse, juke box, Harford County juke box, promoter, plumber, restaurant, soda fountain, trader, chain store, vending machine, and trading stamp issuer.

Public Service Companies

In General

Public Service Commission Personnel

In the last several years, the Public Service Commission has lost many of its experienced employees. A recent salary survey revealed that the commission pays its senior employees less than every state and federal commission in the region. To address the commission's salary and funding needs, the General Assembly passed Senate Bill 171/House Bill 1012 in the 1999 legislative session. Both were vetoed, based in part on concerns over special funding and the effect of the legislation on equivalency of comparable state employment positions.

This session, the General Assembly passed more narrowly tailored legislation, dealing primarily with specialized positions not found elsewhere in State government. **House Bill 887 (passed)** authorizes the commission to set the salaries of its managerial staff and unique professional staff. These include the executive director and executive secretary, general counsel and associated attorneys, and the chief hearing examiner and license hearing officers. The positions also include all personnel in the management service, and those in professional and technical positions unique to the commission.

The bill gives similar authority to the People's Counsel. The People's Counsel may determine the salaries of the Deputy People's Counsel, management service and special appointment attorneys, and other management, professional, and technical positions that are unique to the Office of People's Counsel.

House Bill 887 requires the commission and the People's Counsel to report their respective proposed changes to pay schedules and salary ranges to the Secretary of Budget and Management for comment. They must also report to the Secretary and the General Assembly each year on the positions, classifications, and salaries of their respective units at the end of each calendar year.

Miss Utility - Liability for Damages

The "one-call" system known as "Miss Utility" protects underground facilities from inadvertent damage caused by demolition and excavation. The program requires owners of underground facilities, such as water and sewer mains, telephone, cable, and electric lines, and steam heating pipes, to register as members of the one-call system. The system provides contractors with a single point of contact, so that one notification suffices to mark the location of all known underground facilities in the vicinity of proposed demolition or excavation.

One problem has been the failure of owners to register with the one-call system, despite the clear mandate of existing law to do so. **Senate Bill 480 (passed)** penalizes unregistered owners of underground facilities by excusing contractors who comply with the law from liability to the unregistered owners, and by making those owners liable to other parties for restoration and repairs of property damaged by the excavation or demolition. In addition, a contractor who fails to comply with the law is usually deemed negligent; **Senate Bill 480** removes this presumption in the case of damage to an underground facility of an unregistered owner.

Natural Gas Utilities

After shaping the restructuring of the electric utility industry during the 1999 legislative session (Chapters 3 and 4 of 1999), the General Assembly turned its attention to natural gas utilities. The Public Service Commission has been allowing customer choice in retail natural gas markets during recent years in the form of pilot projects, without specific enabling legislation. In light of the specific consumer protection mechanisms built into electric restructuring, and concerns over potential service disruptions, the General Assembly perceived a need for the commission to exercise additional authority over foreign natural gas suppliers, and to have clearer authority to protect the State's gas

consumers.

Senate Bill 581/House Bill 1134 (both passed) require the commission to license gas suppliers that operate in the State. The commission has the same authority to license and regulate gas suppliers as it has over electricity suppliers under electric restructuring. The commission must adopt gas supplier licensing requirements and procedures that protect consumers and assure the collection of State and local taxes.

The bills require the commission to adopt consumer protection provisions by July 1, 2001, including protection against unfair or discriminatory practices, as well as enrollment and billing procedures, and other matters that the commission considers necessary to protect consumers. In general, the commission must adopt consumer protections and gas supplier requirements that are consistent with applicable provisions of the electric restructuring legislation.

Senate Bill 581/House Bill 1134 do not affect the authority of the Attorney General's Consumer Protection Division to enforce other consumer protection laws such as unfair or deceptive trade practice protections, or exempt gas companies or suppliers from other antitrust or consumer protection laws.

The People's Counsel has the same right to participate or intervene in licensing, complaint, and dispute resolution proceedings as under electric restructuring and the commission's general administrative laws.

Motor Carriers

One area of concern has been the safety of motor coaches that are owned and operated by not-for-profit organizations. Some of these organizations offer extended excursions using equipment comparable to coaches of regulated common carriers, but without regulation and required safety inspections by the Public Service Commission. **Senate Bill 673/House Bill 971 (both passed)** require an annual safety inspection for motor coaches that a not-for-profit entity owns and operates, and that have a gross vehicle weight rating of at least 32,000 pounds and a capacity of at least 30 passengers. These coaches are not subject to tariffs and rate making by the commission.

Steam Heating Companies

Although steam heating companies were deregulated during the 1999 legislative session (Chapter 605 of 1999), the services that they provide are still classified as public utilities, similar to electricity and natural gas. **Senate Bill 414 (passed)** treats property that is used to produce steam heat, and hot or chilled water used for building climate control, in the same manner as electricity generation equipment for purposes of the property tax.

For a more complete discussion of taxation of steam heat and hot and chilled water used for climate control, see Part B - Taxes, Subpart Property Tax, of *The 90 Day Report*.

Taxi and For-Hire Driving Services

For years, the Public Service Commission has regulated for-hire driving services, which consist of taxicabs in several jurisdictions, sedan services, and limousine services. However, the commission has not had adequate resources to enforce its for-hire driving laws. **Senate Bill 552 (passed)** establishes the For-Hire Driving Services Enforcement Fund. The fund provides resources for staffing and statewide enforcement activities of the commission with respect to for-hire driving services. The funding source is an annual assessment of up to \$40 on each for-hire vehicle permit, except for limousines and employee-transport vans.

In order to enhance passenger safety, **Senate Bill 552** authorizes the commission to require for-hire driver's license applicants to obtain a national criminal history records check from the Federal Bureau of Investigation, in addition to the currently required State records check through the Criminal Justice Information System.

The bill also requires all Baltimore City taxi drivers to complete a course approved by the commission that includes courtesy to passengers, as well as geography, map reading, and tourist information for the city.

Telephones and Telecommunications

Competitive Rates

Among the thornier issues facing the Public Service Commission are competition in local residential telephone service and the rate structure and area designations for local calling and in-state long distance calling. Although Maryland is relatively small geographically, it has four local access and transport areas (LATAs) and four area codes. As a result, local calling areas are relatively small, and long-distance charges apply to many calls that actually cover a small distance. **House Bill 56 (failed)** initially would have required the commission to adopt a new, alternative rate structure to allow local calling between areas that are now long-distance, either in-state or interstate within a single metropolitan area. As amended, however, it would have called on the commission to undertake efforts to increase competition in local residential telephone services and to petition the Federal Communications Commission to implement changes to increase competition in intrastate interLATA telephone services in Maryland.

Telephone Solicitation

Resistance to persistent telemarketing inspired **Senate Bill 185 (failed)**. The bill, modeled on a Georgia statute, would have required the Public Service Commission to establish a database of residential telephone subscribers who do not wish to receive telephone solicitations. Telemarketers would have been required to obtain the database from the commission, and would have been prohibited from making telephone solicitations to listed subscribers. The bill is also discussed under Part I Financial Institutions, Commercial Law, and Corporations, Subpart Commercial Law of *The 90 Day Report*.

Internet Services

Several proposals were introduced involving the use and abuse of Internet services.

Open Access: The proliferation of high-speed broadband Internet access through cable modems and digital subscriber lines raises the question of who has access to cable customers. Unlike telephone access, in which the customer has an unlimited choice of Internet service providers and content, limited only by long-distance charges, cable access typically involves a dedicated Internet service provider that is bundled with the locally franchised cable service. **House Bill 986 (failed)** would have established a study commission to explore access issues involved in broadband Internet transport services, including customer access to various Internet service providers. **Senate Bill 505/House Bill 571 (both failed)** would have mandated "open access" for cable modem subscribers of locally franchised cable systems.

Spam and Spoofing: Unsolicited commercial electronic mail constitutes a nuisance for many people, as well as new opportunities for scams and confidence schemes. **Senate Bill 177 (failed)** would have prohibited the falsification of tracking information for electronic mail. Commonly known as "spoofing" this technique is used to obscure the true sender of unsolicited commercial electronic mail. The bill would also have prohibited the sale or possession of software that is primarily used to falsify tracking information.

Insurance

Insurers - In General

Mutual Insurance Holding Company Act

In November 1999, Congress passed and President Clinton signed S. 900, the Gramm-Leach-Bliley Act. The legislation eliminates many federal and state barriers to affiliations among banks, securities firms, insurers, and other providers of financial services. The new federal law allows mutual insurers to redomicile if the state of current domicile has not established reasonable terms and conditions for allowing mutual insurance companies to reorganize into a stock insurer and to form a mutual insurance holding company. According to the National Association of Insurance Commissioners (NAIC), as of August 1998, 21 states and the District of Columbia had passed legislation allowing their domestic mutual insurance companies to reorganize by forming a holding company and converting the mutual insurer into a stock corporation.

After the 1999 session, a workgroup on mutual insurance holding companies was established and included representatives from both the House and Senate as well as the Maryland Insurance Administration. The workgroup produced draft legislation, which was introduced as *Senate Bill 148/House Bill 119 (both passed)*.

Senate Bill 148/House Bill 119 authorize a mutual insurer to reorganize into a stock insurer and to establish a mutual insurance holding company. Under the bills, the mutual insurer is required to demutualize in accordance with a plan of reorganization approved by the Maryland Insurance Administration.

Regulation of Extraordinary Dividends and Distributions

In 1999 the Maryland Insurance Administration underwent a five year review by the National Association of Insurance Commissioners (NAIC). The NAIC gave the Insurance Administration a full five year accreditation, but indicated that Maryland law on extraordinary dividends should be amended to conform with NAIC standards.

House Bill 979 (passed) conforms Maryland law to the NAIC standards. This bill defines the circumstances under which a dividend or distribution of cash or other property by an insurer is considered extraordinary. According to the Insurance Administration, most major multi-state insurers are part of a holding company system. The bill clarifies that an insurer that is not a life insurer may pay extraordinary dividends only out of earned surplus. To ensure the solvency of insurers, an insurer may not issue an extraordinary dividend without approval from the commissioner. The bill applies to dividends or distributions declared and paid on or after January 1, 2001.

Insurance Rating Law - Exempt Commercial Policyholders

Current law requires each insurer to file policy forms and endorsements with the Maryland Insurance Administration. Prior approval law provides that these filings do not take effect until 30 working days after being filed, unless approved sooner by the commissioner. Rates and supplementary rate information filed by an insurer are based on the competitive rating law which allows rates to be used without prior approval from the commissioner.

Senate Bill 598/House Bill 818 (both passed) exempt policy forms and endorsements issued to sophisticated commercial policyholders from form filing requirements under the prior approval insurance rating law. The bills do not apply to the filing of workers' compensation insurance policy forms.

Under *Senate Bill 598/House Bill 818*, an "exempt commercial policyholder" includes a person that certifies that it pays annual aggregate property and casualty insurance premiums of \$75,000 or more and meets any two of the following criteria:

- generates annual revenues or sales in excess of \$10 million;
- possesses a net worth in excess of \$5 million;
- employs at least 25 full-time employees;
- is a nonprofit organization of a public entity with an annual budget of at least \$10 million; or
- is a municipal corporation with a population of at least 15,000.

The bills further provide that an exempt commercial policyholder must certify to the insurer issuing coverage and the Insurance Commissioner that it meets the criteria necessary for exemption from form filing requirements. This certification must include reference to the optional criteria that the insured has satisfied.

Senate Bill 598/House Bill 818 authorize the commissioner to adopt regulations that require insurers to provide the Insurance Administration with information on the number and types of policies written for exempt commercial policyholders. The bills also allow the commissioner to authorize an exempt commercial policyholder to procure insurance from a surplus lines insurer.

Life Insurers

Reserve Investments

In 1999 the General Assembly enacted Chapter 529 to authorize a life insurer to include as reserve investments an amount from loans secured by real estate investments in the United States or Canada that does not exceed 95 percent of the fair market value of the real estate.

Senate Bill 763/House Bill 978 (both passed) provide life insurers, under specified conditions, with additional avenues of investment for their reserves. The Maryland Insurance Administration has reviewed these proposed investments, which conform to model legislation drafted by the National Association of Insurance Commissioners.

These bills specifically define the various investments in which life insurers are authorized to invest their reserves. These investments are:

- securities lending, repurchase, reverse repurchase, and dollar roll transactions with business entities;
- derivative transactions;
- money market mutual funds;
- equity interests in any business entity organized under the laws of the United States, Canada, or one of their subdivisions; and
- obligations issued by the United States, Canada, or one of their subdivisions.

Property and Casualty Insurers

Required Notice for Cancellation of Policies

Senate Bill 173 (passed) requires homeowner's and motor vehicle liability insurers to provide written notice of cancellation by certificate of mailing at least ten days before the insurer proposes to cancel a policy as a result of the insured's failure to pay the required premium. Under current law, an insurer is not required to provide notification of a policy cancellation if the reason for the cancellation is nonpayment of premium.

Senate Bill 173 also requires homeowner's insurers to send to an insured, by certificate of mailing, written notice of intention to cancel or not to renew a policy for a reason other than nonpayment of premium at least 45 days before the date of the proposed cancellation or expiration of the policy.

Motor Vehicle Liability Insurance

Voluntary Cancellation of Motor Vehicle Insurance: The Motor Vehicle Administration (MVA) is prohibited from issuing a motor vehicle registration unless the owner furnishes evidence of the required security. The owner must maintain the required security for the vehicle during the registration period. The required security is: \$20,000 for bodily injury or death arising from an accident for any one person (\$40,000 for two or more); and \$15,000 for property damage to others.

If the required insurance on any vehicle terminates or otherwise lapses, the registration on that vehicle is automatically suspended as of the date of termination or lapse and remains suspended until the owner: (1) submits evidence of replaced insurance to the MVA; and (2) pays any uninsured motorist penalty fee assessed by the MVA. Insurers are required to notify MVA immediately of a termination or final lapse, and the MVA must notify the vehicle owner that the registration on the vehicle has been suspended. The owner is required to provide proof of new insurance or surrender all evidences of the vehicle's registration to the MVA within 48 hours of being notified by the MVA. In addition to suspending registration, the MVA may also impose fines on an individual who allows a policy of motor vehicle liability insurance to lapse. The fines include \$150 for the first 30 days and \$7 per day beginning on day 31.

The maximum penalty is \$2,500 in a 12-month period.

Senate Bill 307 (passed) requires the MVA, in consultation with the Insurance Commissioner and representatives of the automobile insurance industry, to adopt regulations that provide timely notification to an insured of the penalties that may be imposed upon the cancellation of motor vehicle liability insurance without surrendering the evidences of registration.

Written Proof of Insurance: House Bill 1129 (passed) requires an automobile insurer, for automobile insurance policies sold by an independent agent, to provide written proof of insurance upon the renewal of the policy at the request of the insured or a person with an insurable interest in the property.

Referrals by the Maryland Automobile Insurance Fund: Senate Bill 80 (passed) changes the requirements under which the Maryland Automobile Insurance Fund (MAIF) refers the status of an insured's driver's license to the Motor Vehicle Administration (MVA) for a determination of whether a driver's license should be suspended or revoked. The bill requires MAIF to refer the status of an insured's driver's license to the MVA when the insured has had three or more chargeable accidents involving third party liability within the last 12 months.

Property and Casualty Insurers

Requests for Data: House Bill 1339 (passed) establishes guidelines under which the Maryland Insurance Administration (MIA) may request data from property and casualty insurers that relate to the policies written by these insurers. Requests must be made by bulletin. The bulletin must include the line of insurance and the period of time for which the data are requested. Each request expires after two years, unless MIA issues another bulletin to continue the request. MIA must notify an insurer if it receives a request to inspect company-specific data, and an insurer may show that the data are confidential commercial data or are otherwise protected from disclosure under the Public Information Act.

Agents and Brokers

Maintenance of Records

House Bill 344 (passed) requires the Maryland Insurance Administration to adopt regulations establishing the minimum length of time and the manner in which an independent agent or broker is required to maintain records of insurance transactions conducted by the agent or broker. Currently, there are no requirements for agents or brokers to maintain records of canceled or expired policies.

Horse Racing and Gaming

Horse Racing

The horse racing industry in Maryland employs more than 15,000 people and generates approximately \$600 million annually in direct economic activity for the State. Like other states, Maryland's racing industry has lost market share in recent years to other forms of commercial gambling. Some states, including two in this region, have sought to revive their industries by introducing slot machines at the tracks. Maryland has taken other approaches to restructuring its racing industry, including subsidizing purses, providing State tax relief, and expanding marketing efforts. Chapter 168 of 1999 mandated the distribution of \$10 million of net fiscal 1999 lottery revenues in excess of \$352,175,000 to increase purses at race tracks and to supplement existing bred funds. This was the third year that the State provided financial support to the industry. The release of the funds was contingent upon the submission of plans to the Governor and the General Assembly detailing proposed improvements in track facilities, management, and marketing. The plan created by the Maryland Jockey Club (owner of Laurel Park and Pimlico Race Course) calls for \$60 million in improvements over the next five years. The plan identifies \$42.5 million in capital improvements, of which \$27.5 million would be financed through revenue bond proceeds. The sources of funds identified to support the debt service on those bonds include: surplus revenues from the horse racing special fund and a 1.5 percent increase in the takeout. Rosecroft Raceway's financing plans are vague, but include \$10 million through a "State partnership." Ocean Downs

plans do not include any future year capital expenditures.

Financial Assistance for Track Redevelopment, Purses, and Bred Funds

Senate Bill 813 (passed) continues financial assistance to the horse racing industry in several ways. First, the bill establishes a Maryland Racing Facility Redevelopment Program to assist specified horse racing facilities with capital improvements. Eligible licensees will submit a racing facility master plan to the

Maryland Racing Commission for review and approval. Requests for assistance must be reviewed and approved by the Maryland Stadium Authority and must provide evidence that the applicant and its affiliates will spend specified amounts for improvements in accordance with the master plan. If approved, the Maryland Economic Development Corporation (MEDCO) will issue revenue bonds to finance the improvements. In order for the commission to approve a plan, an applicant must demonstrate that the improvements will be completed within five years from the time MEDCO issues bonds. Mile thoroughbred licensees must also demonstrate that they have spent or are contractually obligated to spend \$9.5 million on improvements by the time bonds are issued. If a master plan is approved and proceeds from the sale of bonds sufficient to accomplish the plan are made available, the licensee must implement the plan and submit an audited report of expenditures to the commission, the Maryland Stadium Authority, and MEDCO.

To finance the debt service on the bonds issued by MEDCO, the bill increases the "takeout" (the commission that is deducted from betting pools) on thoroughbred races and requires additional takeout allocations from mile thoroughbred licensees to be paid into a new special fund, the Racing Facility Redevelopment Bond Fund. Further, the legislation requires specified harness licensees to allocate a portion of takeout to the redevelopment program. Beginning in fiscal 2002, the bill provides for the allocation of uncashed pari-mutuel tickets from the existing horse racing special fund to the bond fund. If revenues from the uncashed tickets are not needed, these funds will revert to the horse racing special fund. If these funds are used, specified excess lottery revenues will replenish the horse racing special fund. If lottery revenues are not sufficient to credit the horse racing special fund, the Governor may request a deficiency appropriation in the next fiscal year.

Allocations to the bond fund from the takeout would total approximately \$4 million annually. Depending on the amount of funds needed to accomplish approved improvements, uncashed tickets of up to an estimated \$2 million may also be used to support the debt service for capital improvements. The amount of bonds MEDCO will ultimately issue is unknown; it depends on the capital improvements approved, the future revenue stream to MEDCO, interest rates, and the terms of the bonds issued.

If MEDCO does not issue revenue bonds by a specified date, a licensee must notify MEDCO of its intent to use its share of funds in the bond fund. To do so, a licensee must submit a multiyear racing facility improvement plan to the Governor for approval.

In addition to establishing the redevelopment program, **Senate Bill 813** requires a one-time distribution of \$10 million of net fiscal 2000 lottery revenues in excess of \$366,813,000 to a special fund to supplement existing bred funds and purses. The legislation also extends the current wagering tax of 0.32 percent (which is set to increase to 0.5 percent as of June 30, 2000) and continues the distribution of funds to purses and bred funds that would otherwise go into the general fund (estimated at approximately \$1.2 million annually). The bill also recodifies the Maryland Million and Sire Stakes programs, modifies authorized racing times, specifies how a track in Allegany County may send racing signals, and requires the commission to report to the House Committee on Ways and Means and the Senate Finance Committee by August 15, 2000, on the status of regulations to administer telephone betting.

Sunset Law

Senate Bill 368 (passed) extends the sunset date for the Maryland Horse Racing Act from July 1, 2001 to July 1, 2011. The bill also requires the Maryland Racing Commission to inspect satellite simulcast facilities at least four times annually to determine if permit holders are complying with permit requirements. The inspections must include evaluations of the financial and physical conditions of each satellite simulcast facility.

Gaming

Tip Jars - Washington County

Presently, all terms of office for Washington County Gaming Commission members begin on July 1. A tip jar license holder is now entitled to retain the lesser of \$45 or 50 percent of the gross profits from each tip jar game. Gross profits of a tip jar may not exceed \$250 under current law. The current distribution formula for monies deposited in the Washington County Gaming Fund is: (1) 60 percent to bona fide charitable organizations in the county; and (2) 40 percent to the Washington County Volunteer Fire and Rescue Association. There is no limit on the amount of money the commission may distribute to an applicant who seeks a grant from the fund.

House Bill 1389 (passed) makes several changes in the terms of office of members of the commission and in the way money raised from tip jar gaming in Washington County is distributed to recipients of the funds. Under the bill, the starting dates of the terms of four members of the seven-member commission will be March 1, and the starting dates of the terms of the other three members will be October 1. Under current law, the terms of the commission members are for two years.

In addition, the bill alters the formula for distributing the proceeds in several ways: (1) a tip jar license holder may retain 50 percent of the gross profits from each tip jar game; (2) monies deposited in the Gaming Fund (i.e., 50 percent of the gross profits from each tip jar game) are to be distributed equally between

bona fide charitable organizations in the county and the Washington County Volunteer Fire and Rescue Association; and (3) the commission will be prohibited from distributing more than \$50,000 in grants to each applicant per grant application. These provisions of the bill terminate in three years.

Finally, the commission is required to report to the Washington County Delegation on or before January 31, 2001, and every six months thereafter, on how recipients of funds from the Gaming Fund have been affected by the new formula for distributing those funds.

Video Lottery Terminals

The past several sessions of the General Assembly saw the introduction of bills to allow the use of video lottery terminals (VLTs) at the State's horse racing tracks. **House Bill 1170 (failed)** would have permitted up to 2,500 VLTs each at Laurel, Pimlico, and Rosecroft racetracks and at a licensed track in Allegany County. The bill would have established the Education Trust Fund (ETF) and other special funds, and detailed the programs that would have been funded from video lottery proceeds. In addition, the bill would have prohibited the General Assembly from adopting any laws authorizing any additional forms or expansion of commercial gaming.

Under this bill, it is estimated that general fund revenues would have increased by about \$17.3 million and special fund revenues would have increased by \$238.4 million beginning in fiscal 2002.

Economic and Community Development

Business and Economic Development

There were a number of initiatives considered during the 2000 session that alter or expand existing economic development programs as well as create new programs.

Financing Program Consolidation

The State offers a variety of tools to provide financial assistance to businesses in the State. In accordance with Chapters 299 and 301 of 1999, and the Joint Chairmen's Report of 1999, a study panel was convened during the 1999 interim to review the potential for consolidating the current financing programs under the Department of Business and Economic Development (DBED). The study panel's membership included legislative representatives, local economic development officials, and private sector representatives. **Senate Bill 783/House Bill 972 (both passed)** represent the final recommendations of the panel.

Senate Bill 783/House Bill 972 consolidate 20 financing assistance programs into ten primary programs. The legislation amends the Maryland Economic Development Assistance and Authority Fund (MEDAFF) and the Maryland Industrial Development Financing Authority (MIDFA) to incorporate the capabilities of the repealed programs and funds. Specifically, six programs are consolidated into the MEDAF to create a large direct loan, grant, and equity investment fund. The legislation repeals the Maryland Industrial Land Act (MILA), the Maryland Industrial and Commercial Revitalization Fund (MICRF), the Brownfields Revitalization Incentive Program (BRIP), the Animal Waste Technology Fund, the Seafood and Aquaculture Loan Fund, the Child Care Special Loan Fund, and the Day Care Facilities Direct Loan Fund. Funds that are on deposit in the repealed funds are to transfer to MEDAF on July 1, 2000. As such, MEDAF would have \$29.2 million available in fiscal 2001.

The initiative further consolidates the Day Care Facilities Guarantee Fund, the Enterprise Deposit Incentive Fund, and the Maryland Energy Financing Administration (MEFA) into the MIDFA. Any obligations of the repealed funds, except MEFA, will be considered obligations of MIDFA after July 1, 2000. The repeal of MEFA takes effect January 1, 2002.

The legislation completely repeals two inactive funds: the Enterprise Zone Venture Capital Guarantee Fund and the Maryland Workforce Training Fund.

Neighborhood Business Development Program - Capital Access Program

While the Department of Housing and Community Development (DHCD) provides various types of financial assistance to specified small businesses, including loans, grants, and tax credits, **House Bill 98 (passed)** provides an innovative means of encouraging banks to make profitable, but individually risky loans to small businesses in State priority funding areas. This legislation creates the Capital Access Program (CAP) within the Neighborhood Business Development Program (NBDP) of DHCD to stimulate private sector lending to small businesses.

This legislation authorizes DHCD to enter into participation agreements with eligible private lenders, using funds from NBDP to make matching contributions to loan reserve accounts established by private lenders. To be eligible to participate in the CAP, **House Bill 98** requires a lender to: (1) enroll loans made to eligible businesses in the CAP; (2) establish a loan reserve account with a federally insured financial institution as additional security to cover losses sustained by the lender on any loans enrolled by the lender; and (3) contribute funds to the loan reserve account for each loan enrolled in the CAP. If a loan goes into default and a lender has exhausted its normal methods to collect on the loan, the lender may withdraw funds from the reserve to cover its net losses. An eligible borrower is a small business that: (1) meets the eligibility requirements set out in the CAP participation agreement between the borrower's lender and DHCD; and (2) agrees with the lender to contribute funds to the loan reserve account established by the lender.

The fiscal 2001 budget includes \$8 million in PAYGO general and special funds for the NBDP. Of this amount, up to \$1 million may be used to implement the CAP.

Maryland Enterprise Zones

DBED is required, under **House Bill 1208 (passed)**, to consider whether a project is located in an enterprise zone or a focus area when making financial assistance decisions. This legislation prohibits the Secretary of DBED from designating any area as an enterprise zone unless the area is designated as a priority funding area. Priority funding areas include municipal corporations, neighborhoods that qualify for the Neighborhood Business Development Program, enterprise zones, certified heritage areas, areas inside the Baltimore or Washington beltways, and areas designated by the governing body of a county. Currently, Prince George's County has the only designated focus area in the State.

This legislation establishes an 18-member Task Force to Study the Maryland Enterprise Zone Program (task force), to study further enhancements to the State's enterprise zone program, including: (1) allowing local legislative authority to grant real estate credits for converting vacant commercial property to residential use; (2) the feasibility of State agencies favoring enterprise zones in the delivery of services; and (3) examination of other states' enterprise zone

incentives. The task force, which is effective July 1, 2000, must issue a final report of its findings and recommendations to the Governor and the General Assembly by December 1, 2000, before its termination on December 31, 2000.

Rural Development

Senate Bill 679/House Bill 932 (both passed) establish a four-year Maryland Agricultural Education and Rural Development Assistance Fund to be administered by the Board of Public Works and DBED. The stated purpose of the fund is to provide grants to rural regional planning and economic development organizations, rural community development programs, and advanced technology centers that serve agricultural and natural resources-based small businesses in rural areas. The fiscal 2001 budget includes \$422,000 in general funds for the grant program.

Senate Bill 446/House Bill 933 (both passed) create a 17-member Task Force on Resource Based Industry in Maryland to examine the need for establishing a financing development authority to assist Maryland's farming, fishing, forestry, and mining extraction industries with loans, financing, training, and technical and business planning assistance services. The task force is required to develop and report its recommendations to the Governor and the General Assembly by December 1, 2000.

Arts Council and Tourism Funding

The fiscal 2001 budget includes \$12.2 million for grants administered by the Maryland State Arts Council. This represents an increase of \$1.7 million (16 percent) over the fiscal 2000 level. The General Assembly earmarked a total of \$500,000 to specific arts organizations.

The arts council provides grants to arts organizations, community arts development, artists in education, and individual arts from this budget. The council has a goal of providing grants equivalent to 10 percent of an arts organization's operating expenses. The funds provided for fiscal 2001 will allow the council to continue to move in that direction.

Tourism funding also receives significant enhancement in fiscal 2001. Consistent with Chapter 471 of 1997, the Maryland Tourism Development Board receives an increase of \$1 million in general funds, to a level of \$6 million. The Office of Tourism Development's budget increases by \$800,000 for advertising, promotions, and web-site development, and \$525,000 is provided for multi-cultural, outdoor nature, and sports tourism marketing to develop and promote these specialty products.

Housing and Community Development

Hippodrome Performing Arts Center

Financing: The Hippodrome is seen as the cornerstone of the Baltimore west side revitalization effort. The Maryland Stadium Authority (MSA) is working in conjunction with the Baltimore Center for the Performing Arts (BCPA) in developing the Hippodrome Performing Arts Center. The new Hippodrome is planned to be a state-of-the-art theatrical facility larger than other theater facilities in the city that will attract larger Broadway touring shows. The facility will be capable of accommodating 420,000 theater patrons annually. The MSA estimates that the project costs for the Hippodrome will total approximately \$56 million including costs for design, land acquisition, construction, furniture, fixtures, and equipment. Expected funding sources include State appropriations, Baltimore City, the performing arts center's operator, bond revenue, proceeds from historic preservation tax credits, and private contributions.

The General Assembly approved \$1.7 million in fiscal 1999 and \$1.8 million in PAYGO funds in fiscal 2000 for the design stage of the project. The fiscal 2001 budget includes \$11.5 million in PAYGO general funds for the construction stage of the project. Construction on the theater and surrounding buildings is expected to begin in July 2000. The MSA anticipates that opening day will be in the fall of 2002.

House Bill 1301 (passed) authorizes the MSA to issue \$12 million in bonds. The Hippodrome Performing Arts Center Financing Fund may accept proceeds from the sale of bonds. Monies in the fund are to be used to the extent deemed

appropriate for the payment of debt service on MSA bonds for the Hippodrome for all reasonable charges and expenses related to the MSA's borrowing and the management of MSA's obligations.

The legislation further allows the MSA to establish and participate in "authority affiliates" with respect to the site acquisition, construction, and development of the Hippodrome facility. An authority affiliate is defined as any for-profit or nonprofit corporation, partnership, limited liability company, or other entity, if the MSA directly or indirectly owns any outstanding shares of capital stock, partnership interests, membership interests, or other equity interests. The MSA is authorized to permit the affiliate to transfer, to any individual or entity, the full amount of any State or local tax credit to which the MSA or the affiliate is entitled.

Plans are currently underway to have the Hippodrome and two surrounding buildings declared as national landmarks. This will entitle the owner of the properties to claim federal and State tax credits for historic preservation, equivalent to 25 percent of qualifying expenses to rehabilitate the properties. The sale of these tax credits to investors (and partners with the MSA in a limited liability company) is expected to raise \$8 million toward project costs.

Property Tax Payments: House Bill 1302 (passed) provides that the Hippodrome Performing Arts Center Facility and site are subject to property taxes unless: (1) the property is used principally as a performing arts center; and (2) the owner negotiates a payment in lieu of property taxes with the Baltimore City Board of Estimates.

The Hippodrome theater is owned by the MSA and therefore is currently exempt from property taxes. The legislation requires that to be eligible for a payment in lieu of taxes, the theater must be used principally as a performing arts center. During the construction phase of the Hippodrome project, the theater will not meet this criteria. Accordingly, upon enactment of the legislation, the Hippodrome property will be subject to tax until the time that the site is functioning as a performing arts center. It is estimated that the MSA would thus be required to pay \$8,596 in taxes for the Hippodrome property.

The remaining properties that encompass the Hippodrome site are currently privately held and are subject to taxation. The MSA is in the process of acquiring the properties. The MSA will continue to pay the applicable tax on the acquired properties until the theater is operational. The city currently collects \$35,569 on the surrounding properties. The MSA would be liable for the taxes until the opening of the theater, scheduled in fiscal 2003. It is assumed that the total tax liability of \$44,165 will be paid from the Hippodrome Performing Arts Center Financing Fund.

Following the opening of a functioning theater, the MSA, or its authority affiliate acting as the theater's owner, will negotiate a payment to Baltimore City in lieu of taxes. The property tax exemption would be restored and no tax payments would be made to Baltimore City or to the Annuity Bond Fund. Estimates on the negotiated payment amount are not readily available, however, it is assumed to be less than the tax that would be due on a completely renovated theater site. As renovated, the taxes on the Hippodrome site are estimated at \$1.2 million.

Smart Codes

In May 1999, several architects, planners, local code officials, environmentalists, and others joined the Governor at the Maryland Smart Codes Conference. Participants discussed impediments to development caused by Maryland's existing construction codes and development regulations. Specifically, concern was raised over the lack of uniformity arising from overlapping and unclear requirements, the lack of predictability due to varying requirements and interpretations among jurisdictions, the lack of flexibility, and the lack of training for local code officials and private businesses.

As a result of the conference, DHCD and the Maryland Office of Planning, with participation of the State Fire Marshal and the Department of Labor, Licensing, and Regulation (DLLR), convened the Smart Codes Strategy Group. The Governor appointed a steering committee and charged the group with recommending innovative ways to strengthen Maryland's existing communities by altering the State's building codes and development regulations. First, the steering committee recommended that a statewide code be established to address the rehabilitation of existing buildings. The steering committee recommended that the code: (1) integrate the existing ten State codes into one document governing building rehabilitation; (2) distinguish rehabilitation requirements from those for new construction; and (3) establish five categories of work that gradually increase compliance requirements proportionally to the amount of work required. The steering committee recommended that the code be based on a model developed by the U.S. Department of

Housing and Urban Development and the National Association of Home Builders, which itself was modeled on a code currently in place in New Jersey. The steering committee also recommended that the code permit local amendments, but that the State should offer incentives to local governments that administer the code without making any amendments.

Another recommendation made by the steering committee was to direct the Office of Planning to develop two smart growth model ordinances to promote infill and compact mixed-use development. The committee recommended that the ordinances be voluntary for local governments, but that the State provide incentives to local governments to adopt them. The committee recommended that the models create overlay zones to: (1) establish procedures and standards for infill development and comprehensively planned, mixed-use projects within priority funding areas; (2) allow for flexible lot sizes, building heights, and building setbacks; (3) promote the use of open space and landscape improvement; and (4) provide flexible requirements for parking and roadway design.

Maryland Building Rehabilitation Code: Senate Bill 207/House Bill 284 (both passed) address the steering committee's first recommendation by providing for the adoption of a statewide building rehabilitation code that will apply to all rehabilitation projects in the State for which a construction permit application is received. The Maryland Building Rehabilitation Code (MBRC) will be developed and adopted by DHCD in cooperation with a 27-member Maryland Building Rehabilitation Code Advisory Council, DLLR, and the State Fire Marshal.

The MBRC will: (1) maintain a level of safety consistent with existing codes, and provide for multiple categories of work with multiple compliance standards; (2) be enforceable by local officials using existing enforcement procedures; (3) apply to the repair, renovation, modification, reconstruction, change of occupancy, and addition to an existing building; (4) provide an expedited review process for proposed amendments to the MBRC submitted by a local government or an organization that represents local governments; and (5) contain provisions that provide an opportunity for a person proposing a complex rehabilitation project involving multiple codes, prior to submitting a construction permit application, to meet with specified local officials or designees, as applicable, and to anticipate and expedite the resolution of problems a complex rehabilitation project may have in complying with the applicable laws and regulations and the MBRC. A local jurisdiction may adopt local amendments to the MBRC; however, the bill provides incentives for local governments not to amend its local code.

The fiscal 2001 budget includes \$551,703 in general funds, contingent upon the enactment of the bill, for DHCD to implement the new code.

Models and Guidelines - Infill Development and Smart Neighborhoods:

House Bill 285 (passed) addresses the steering committee's second recommendation by requiring the Office of Planning to develop model land-use codes for infill development and smart neighborhood development. "Infill development" is new development in a priority funding area on vacant, bypassed, and underutilized lands within existing developed areas. "Smart neighborhood development" is comprehensively planned, compact mixed-use development in a priority funding area that integrates residential, commercial, open space, and public uses.

The Office of Planning will also draft guidelines to provide local governments with information on innovative planning and implementation techniques to encourage and facilitate infill development and smart neighborhood development. The Office of Planning will circulate the models and guidelines to State agencies and departments and work with local governments, State agencies, and departments to develop incentives to encourage the voluntary adoption and implementation by local governments of models and guidelines implementing the intent of the models and guidelines developed by the Office of Planning.

Maryland Building Performance Standards

The three model building code groups in the United States have consolidated efforts to create the International Code Council, which will produce one single code, the International Building Code (IBC), to be used throughout the United States.

Senate Bill 64 (passed) requires the implementing body, the Department of Housing and Community Development, to

change references in the Maryland Building Performance Standards (MBPS) from the National Building Code issued by the Building Officials and Code Administrators International, Inc. (BOCA) to the IBC, and the Department of Housing and Community Development is further required to incorporate subsequent versions of the IBC into the MBPS within 12 months from the issuance date.

Lead Paint Initiative

The State's fiscal 2001 budget includes \$5 million in State funds as part of a total \$16.8 million commitment between the State, Baltimore City, and the federal government to expand lead abatement, lead poisoning prevention, and lead enforcement efforts. The \$5 million State commitment is divided in the following manner:

- \$3.5 million to DHCD to fund grants to homeowners and landlords to abate lead poisoning hazards in homes and apartments;
- \$500,000 to the Maryland Department of the Environment for five new lead inspectors, two new lead attorneys, and two technical positions to link State and Baltimore City databases;
- \$500,000 grant to Baltimore City to hire lead inspectors, buy lead inspection equipment, and hire lead attorneys; and
- \$500,000 to the Department of Health and Mental Hygiene for expansion of the department's lead poisoning prevention and screening efforts, testing capabilities, lead poisoning outreach, and public information and data management.

The annual budget bill requires all of the departments receiving funds from the lead paint initiative to jointly prepare a comprehensive report before the funds may be expended. Strategies for the implementation of certain programs, strategies for strengthening current lead laws, methods for improving the lead screening of children, and information by jurisdiction on the extent of the lead paint problems and the funds available to combat the problem, are required to be in the report. The report will be submitted to the budget committees for review and comment.

Technology and E-Commerce

In General

In January 2000, the Governor, the President, and the Speaker announced a technology agenda designed to "strengthen Maryland's position as a leader in the digital economy and the technological age." The bills comprising the technology agenda sought to address the needs of technology businesses, guarantee consumers' right to privacy, protect Marylanders from digital crime, and enhance Maryland's standing in the nation for delivering services over the Internet.

Within State government operations, initiatives include:

- expanding the membership and responsibilities of the State Information Technology Board;
- requiring executive agencies to provide increasing amounts of services available to the public over the Internet to 50 percent by 2002 and up to 80 percent by 2004;
- limiting the data that can be collected by State agencies and requiring disclosures on the collection and use of the data; and
- establishing an Application Service Provider Consortium at the University of Maryland in College Park, to promote the deployment of Internet-based technologies in Maryland.

Further information on these initiatives can be found in Part C - State Government of *The 90 Day Report*.

Two significant pieces of commercial law related to electronic commerce, the Uniform Electronic Transactions Act (UETA) and the Uniform Computer Information Transactions Act (UCITA), were passed. More information can be found in Part I - Financial Institutions, Commercial Law, and Corporations.

Several bills addressing electronic crime, including piracy and computer intrusion crime, knowingly sending falsified or forged unsolicited electronic mail ("spamming"), and engaging in child pornography through electronic communications, were introduced and considered. For more information on these bills, are under subpart criminal law under Part E of *The 90 Day Report*.

Maryland Technology Development Corporation

House Bill 1209 (passed) changes the name of the Maryland Science, Engineering, and Technology Development Corporation (MSETDCo) to the Maryland Technology Development Corporation (TEDCO). This legislation authorizes TEDCO to make grants to provide equity investment financing for technology-based businesses; to fix, revise, and collect royalties; and to hire accountants, engineers, financial advisors, legal counsel (with the approval of the Attorney General), or other consultants when necessary. This legislation also authorizes a custodian to deny an inspection of information disclosing or relating to a trade secret, confidential commercial information, or confidential financial information owned in whole or in part by TEDCO. In addition, **House Bill 1209** increases the number of members on the Board of Directors from 11 to 15 and requires the Governor to consider diversity when appointing board members. The fiscal 2001 budget includes a \$2 million operating grant to TEDCO.

Workers' Compensation

Injured Workers' Insurance Fund

The Injured Workers' Insurance Fund (IWIF) was created in 1914 as the State Accident Fund (the fund), a self-supporting trust fund under the Maryland Workers' Compensation Commission (the commission). The fund was created to provide workers' compensation insurance to any employer who was unable or who elected not to obtain insurance from a private carrier. Coverage was extended regardless of the employer's experience rating. In 1941, the fund was made an independent agency. In 1970, the Department of Personnel was given oversight of the fund's personnel.

In 1987, a gubernatorial task force found that the State budget, procurement, and personnel systems caused the fund to be "inherently 'market insensitive'." The task force made several recommendations, which the General Assembly enacted within a year, including:

- a change in the name of the fund to the Injured Workers' Insurance Fund;
- a mandate that the fund operate like an insurance company;
- a mandate that professional and technical employees be unclassified employees, with wages set "to the extent practicable ... in accordance with the State pay plan;"
- a mandate that the fund engage in a marketing program;
- a mandate that the fund undergo statutory audits and market conduct surveys by the Legislative Auditor; and
- an exemption from the State property tax and from most laws governing State agencies, except the State Open Meetings Act, the State Public Information Act, the Maryland Tort Claims Act, the Maryland Public Ethics Law, and the Maryland Whistleblower Law.

Under current law, IWIF is exempt from three obligations imposed by State law on all other workers' compensation insurance carriers. First, IWIF is not subject to regulation, including rate regulation, by the Maryland Insurance Administration (MIA). Second, IWIF is not required to participate in the Property and Casualty Insurance Guaranty Corporation, which insures payments of claims on behalf of member companies that become insolvent. Finally, IWIF

is not required to pay the insurance premium tax.

IWIF is directed by a seven-member board of directors, each of whom serves a five-year term and is appointed by the Governor with the advice and consent of the Senate.

In late 1998 and early 1999, the *Baltimore Sun* ran a series of articles calling into question IWIF's procurement and executive compensation practices. On June 2, 1999, largely as a result of this negative publicity, the Governor issued an executive order creating a 13-member task force to review the operations of IWIF. The task force made the following recommendations:

- IWIF should be subject to oversight by the MIA;
- IWIF should be a member of the Property and Casualty Insurance Guaranty Corporation; and
- given IWIF's statutory role as the workers' compensation insurer of last resort, IWIF should continue to be exempt from the State's 2 percent premium tax.

Senate Bill 881/House Bill 980 (both passed) implement some of the recommendations of the task force.

The bills require IWIF to become a member of the Property and Casualty Insurance Guaranty Corporation, but only after the Insurance Commissioner certifies the fund's solvency. Under the legislation, IWIF is exempt from the Open Meetings Law.

In addition, IWIF is subjected to regulation by the MIA under several provisions of the Insurance Article, including those related to risk-based capital standards, asset and reserve requirements, and impaired entities.

The bills further require the Commissioner to regularly examine the affairs, transactions, accounts, records, and assets of the fund. In the event that the adjusted capital of the fund is determined to be inadequate based on the level of risk assumed, the Commissioner is given specific authority to take any action necessary, except to increase rates, to bring the fund into compliance with statutory standards. The Commissioner is required to report the results of any examination of the fund to the board.

The Commissioner may examine or review IWIF for compliance with other provisions of the Insurance Article, including those related to policy form approval and unfair trade practices. The Commissioner may not enforce these provisions, but must report the results of the examination or review to the board.

The State Treasurer is no longer required under law to be the custodian of IWIF's funds. This provision codifies current practice to the extent that the State Treasurer has never exercised its statutory authority over the fund. Finally, the membership of the IWIF governing board is increased from seven to nine members and a two-term limit is imposed.

Benefits

Permanent Partial Disability

Under current workers' compensation law, scheduled payments for permanent partial disability caused by the loss of a thumb, finger, or great toe are based on the middle tier rate of compensation for permanent partial disability, rather than the lower tier rate of compensation.

The statutory provision that requires compensation at the higher rate was initially approved by the General Assembly in 1987 (Chapter 591 of 1987) with a termination date of January 1, 1990. The termination has since been extended several times and is now scheduled to take effect January 1, 2001. *Senate Bill 117/House Bill 182 (both passed)* repeal the January 1, 2001, termination date and ensure that permanent partial disability benefits will continue to be paid at the middle tier for the loss of a great toe, thumb, or finger. The legislation was recommended by the Workers' Compensation Benefit and Insurance Oversight Committee.

Permanent Total Disability - Cost of Living Adjustments

Senate Bill 500 (passed) requires the Subsequent Injury Fund to pay a cost of living adjustment (COLA) to an individual receiving workers' compensation payments for a permanent total disability if the individual was the victim of a violent crime that resulted in the compensable permanent total disability.

The bill is retroactive and applies to injuries that occurred after December 22, 1978, but before January 1, 1988. Current law requires a COLA on compensation for permanent total disability claims filed on or after January 1, 1988. The bill requires the Subsequent Injury Fund to pay an individual who qualifies under the bill a lump-sum payment equaling the total of all annual COLAs not previously paid to the individual between January 1, 1988, and June 30, 2000, as determined by the commission. The bill terminates on June 30, 2001.

Offsets of Temporary Total Disability Benefits

Under current law, the Workers' Compensation Commission may order reimbursement to an employer from an individual who knowingly obtained benefits to which the individual was not entitled. However, no provision of law expressly authorizes an offset or credit for temporary total disability benefits previously paid or vocational rehabilitation previously provided where there is no intent to defraud.

In *Sealy Furniture of Maryland v. Miller*, 356 Md. 462 (1999), the Court of Appeals held that the commission incorrectly awarded a credit to an employer for the overpayment of weekly vocational rehabilitation benefits against its award of permanent partial disability benefits. The court reasoned that because the statute governing workers' compensation does not specifically authorize the offset or credit of an overpayment of temporary total disability benefits against a subsequent award of permanent partial disability benefits, the General Assembly intended to prohibit this practice.

House Bill 183/Senate Bill 116 (both passed) are intended to respond to the *Sealy* ruling by expressly authorizing the commission to order an offset or credit against an award for permanent partial disability benefits for temporary total disability benefits previously paid, or for vocational rehabilitation benefits previously provided, to a covered employee.

According to the commission, following *Sealy*, employers and insurers resisted paying temporary total disability benefits that were not ordered by the commission for fear that they would not receive a credit or offset against a permanency award. **House Bill 183/Senate Bill 116** allow the continued payment of temporary total disability benefits, pending a permanency award, so that the claimant may receive uninterrupted compensation and the employer/insurer may receive a credit or offset for an overpayment of benefits paid. The legislation was recommended by the Workers' Compensation Benefit and Insurance Oversight Committee.

Temporary Total Disability - Jurisdiction of the Commission

An employer, employee, or insurer who is aggrieved by a Workers' Compensation Commission decision may appeal to the circuit court within 30 days of the order. The circuit court conducts a *de novo* proceeding. During the appeal process, the commission retains jurisdiction only to consider a request for additional medical treatment and attention. An order is not stayed while it is on appeal.

Senate Bill 586/House Bill 612 (both passed) provide that the commission retains jurisdiction pending an appeal to consider a request for temporary total disability benefits if the order that is on appeal granted temporary total disability benefits which were subsequently terminated by the insurer pending resolution of the appeal.

Under the bills, if the commission finds that an employee was temporarily totally disabled at the time the benefits were terminated, the commission has the authority to pass a supplemental order requiring the employer to reinstate paying temporary total disability benefits.

The bills further provide that if the commission's decision to reinstate temporary total disability benefits is reversed or modified on appeal, the insurer or self-insurer is entitled to an offset or credit for overpayment of the temporary total disability benefits granted in the supplemental order.

Calculation of Occupational Hearing Loss

Senate Bill 179/House Bill 827 (both passed) alter the standards for determining whether an employee has suffered a compensable hearing loss under the workers' compensation statute. The new standards were developed by the American National Standards Institute (ANSI). The bills lower the threshold hearing for a compensable loss by increasing the specified frequencies over which hearing loss is measured. The percentage of hearing loss for compensation is calculated by averaging, in decibels, the hearing thresholds for the 500, 1,000, 2,000, and 3,000 hertz frequencies. The average is calculated by adding the lowest measured losses in each of the four frequencies and dividing by four. The loss is not compensable if the average is 25 decibels or less.

Both bone conduction and air conduction results must be used in determining whether noise-related hearing loss is compensable. For a conductive loss, the bone conduction thresholds for each ear must be used to calculate the claimant's average hearing loss. Finally, the bills increase from 40 to 50 the age at which a measurement must be adjusted to account for age-related hearing loss.

Hearing Locations

Under current law, a covered employee may elect to have a hearing held on a claim before the Workers' Compensation Commission in the county in which the injury or last exposure occurred, the county in which the covered employee resided at the time of the injury or last exposure, or in Baltimore City.

Approximately 40,000 cases are scheduled annually by the commission at 18 different hearing locations. More than 60 percent of the workers' compensation hearings docketed are heard outside of Baltimore City. To meet this demand, the commission has held hearings in conference rooms, recreation centers, boardrooms, and other inadequate locations throughout the State. These sites often lack the security necessary to ensure the safety of all participants to a hearing. The commission's lack of control over the availability of sites has often resulted in considerable delays in scheduling hearings for claimants.

Senate Bill 857/House Bill 1348 (both passed) provide that a covered employee may elect to have a hearing on a claim before the commission held at:

- a regional hearing location determined by the commission to be convenient to all parties;
- a regional hearing location that covers the county in which the covered employee resided at the time that the injury or last injurious exposure occurred; or
- Baltimore City.

If the employer is a governmental agency and hearings are not conducted in the county in which the agency is located, a hearing may be held in the regional hearing location nearest that county's government offices.

It is anticipated that with the passage of this legislation, the commission will establish six regional hearing locations throughout Maryland in addition to Baltimore City. The Workers' Compensation Benefit and Insurance Oversight Committee requested last interim that the Department of General Services (DGS) assist the commission in securing hearing locations. DGS is in the process of reviewing the current sites and determining the appropriate criteria for selecting regional hearing sites.

Workers' Compensation Insurers - Office and Personnel

House Bill 1257 (passed) requires an insurer that provides workers' compensation insurance in the State or a self-insurer located in the State to establish a toll-free number to receive direct telephone inquiries during working hours. This is in addition to current requirements that the insurer or self-insurer have an office in the State run by a competent individual to handle all workers' compensation business.

The bill repeals the existing criminal penalty for violating the statute and imposes a \$1,000 civil fine to be levied by the Workers' Compensation Commission. The bill transfers the authority to enforce these requirements from the MIA to the commission.

Unemployment Insurance

Unemployment Insurance Benefits

Eligibility for unemployment insurance benefits is determined by the circumstances of an individual's dismissal, employment history, and workforce participation. The amount of weekly benefits an individual is entitled to receive is calculated according to a formula based on the individual's earnings during the first four of the last five completed calendar quarters prior to filing a claim. Currently, the maximum weekly benefit amount that an individual may receive is \$250. **House Bill 402 (passed)** increases the maximum weekly unemployment insurance benefit to \$280. An increase to \$280 would replace 44.5 percent of the State average weekly wage. The Office of Unemployment Insurance does not expect the new benefits schedule to trigger a surtax for calendar 2001. A surtax is added to each employer's basic rate when the ratio between the Unemployment Insurance Trust Fund balance and the total taxable wages for the four completed calendar quarters immediately preceding September 30 of each year is less than 4.7 percent. With taxable wages at \$16.5 billion, the trust fund must be at least \$752 million. As of September 30, 1999, it was \$815 million. Accordingly, there was no surtax for calendar 2000.

In each of the past two years, bills identical to **House Bill 402** were introduced. In the 1999 session, House Bill 1182 received an unfavorable report from the Senate Finance Committee, and in the 1998 session, House Bill 1357 received an unfavorable report from the House Economic Matters Committee. The maximum weekly benefit amount was last increased in 1995 from \$223 to \$250 (Chapter 1 of 1995).

Self-Employment Assistance Program

In response to a provision in the North American Free Trade Agreement (NAFTA) that authorizes states to amend their unemployment insurance laws to allow certain categories of claimants to work full-time toward starting their own businesses rather than actively seek full-time work, the Self-Employment Assistance Program allows individuals to receive an allowance from the Unemployment Insurance Trust Fund while participating in self-employment assistance activities such as entrepreneurial training, business counseling, and technical assistance. The program has been in effect in Maryland since 1995, and has assisted numerous entrepreneurs to establish new businesses ranging from telecommunications to pet day care. However, the program was due to expire on June 1, 2000. **House Bill 97/Senate Bill 77 (both passed)** change the termination date of the program to provide for its continuation until federal or other sources of funding are no longer available.

Labor and Industry

Employment Discrimination - Use of Genetic Testing and Genetic Information

The past decade has seen a quantum leap forward in the field of genetics. Both public and private efforts are underway to map the entire human genome -- the more than 3 billion pairs of chemicals that make up human DNA (deoxyribonucleic acid). Sequences of DNA create genes, which oversee every process in the body. These genetic sequences are responsible for an individual's physical characteristics, such as eye or hair color, as well as an individual's susceptibility or predisposition to certain diseases. In addition, some scientists believe that these sequences are also responsible for at least some intangible traits of an individual, such as personality and intelligence, although conclusive proof for this hypothesis has not been established.

It is estimated that a rough map of the human genome will be completed in the summer of 2000, with a complete map coming within two to three years after that. Many scientists believe that a finished map of the genome will allow for numerous breakthroughs in the identification and treatment of a wide array of diseases.

Coupled with this increased knowledge of the human genome is the issue of the privacy of an individual's genetic

information. With advances in information technology, medical records have become increasingly automated and are available to authorized parties on-line. However, as with other information maintained on-line, unauthorized users can gain access to medical records -- intentionally or accidentally. Privacy advocates contend that, as more and more genetic information about an individual becomes available, insurance companies and employers could access and use this information to discriminate against individuals. Some health care professionals also worry that if this information is used for discriminatory purposes it will produce a chilling effect on individuals taking medical tests that might identify their predisposition for certain genetic diseases.

In the 1999 session, the General Assembly enacted legislation that prohibits the use of genetic testing by insurance companies for discriminatory purposes. The "Genetic Information Nondiscrimination in Health Insurance Act of 1999" (Chapters 50 and 51 of 1999) prohibits an insurer, a nonprofit health service plan, or a health maintenance organization from using a genetic test to affect the terms or conditions of a health insurance policy. The same entities may not use a genetic test for the purpose of determining whether or not to issue or renew health benefits coverage. This prohibition does not apply to life insurance policies, annuity contracts, long-term care insurance policies, or disability insurance policies.

In the 2000 session, the General Assembly considered two different bills that would prohibit private employers from using genetic information or genetic testing to discriminate against their employees. Under current State law, an employer cannot discriminate against an individual's hiring, retention, compensation, terms, conditions, or privileges of employment because of that individual's race, color, religion, sex, age, national origin, marital status, or disability. There is no provision concerning the use of genetic information or genetic testing.

Senate Bill 748 (failed) would have prohibited an employer, an employment agency, a labor organization, or a joint labor-management committee from: (1) discriminating against an employee or applicant for employment based on an employee's genetic information or genetic characteristics; (2) requesting or requiring a genetic test of an employee or applicant for employment; and (3) obtaining or using genetic information of an employee or applicant for employment, except as provided below.

The bill would have allowed an employer to seek, obtain, or use genetic information relating to an employee or applicant if: (1) the employee or applicant provided a written and informed consent; (2) the purpose was to determine the existence of a *bona fide* occupational qualification, investigate a workers' compensation claim, or determine an employee's susceptibility or level of exposure to potentially toxic chemicals or substances in the workplace; and (3) the employer did not terminate the employee or take any other adverse employment action as a result of the genetic information.

House Bill 793 (failed) would have prohibited an employer from discriminating against an employee or applicant for employment because of that individual's genetic information or refusal to submit to a genetic test or make available the results of a genetic test. The bill would have also prohibited an employer from requesting or requiring genetic tests or genetic information as a condition for hiring or determining employment benefits.

Occupational Safety and Health - Bloodborne Pathogen Standard

Bloodborne pathogens are pathogenic microorganisms present in human blood that can cause disease in humans and include, but are not limited to, the Hepatitis B virus (HBV), the Hepatitis C virus (HCV), and the Human Immunodeficiency virus (HIV). Hazards presented by the transmission of bloodborne pathogens can be very serious and include infections, illness, and death. Furthermore, a person who has a disease caused by a bloodborne pathogen can become a carrier and transmit the disease to others.

Since 1992 Maryland has followed the same standards on bloodborne pathogens as adopted by the federal Occupational Safety and Health Administration (OSHA). These regulations require employers to use engineering and work practice controls to eliminate or minimize employee exposure to bloodborne pathogens. In 1999 the General Assembly enacted a law (Chapter 408 of 1999) that required the Department of Health and Mental Hygiene (DHMH) to convene a Study Group on Health Care Worker Safety. Chapter 408 directed the study group to hold hearings and prepare a report on the establishment of a standard governing occupational exposure to bloodborne pathogens. The

study was completed in December 1999.

The study group found that health care workers are at great risk for occupationally acquired illnesses as more than 800,000 needle stick injuries occur nationally every year. The group also found that the current bloodborne pathogen standard used by the Maryland Occupational Safety and Health Administration (MOSHA) has not been effective in protecting health workers from "sharps" injuries. Based on these findings, the study group recommended the increased use of "engineered" sharps protection technology. Engineered products reduce the risk of exposure to bloodborne pathogens by the use of mechanical barriers, blunting, encapsulation, withdrawal, retraction, destruction, or other means. The study group found that the number of health care facilities using engineered sharps protection is growing, but 24 percent of facilities that responded to a survey reported that they did not use engineered sharps protection devices. The study group found that testing and aftercare costs resulting from occupational exposures to sharps injuries approaches \$35 million.

OSHA has compiled statistics from studies that show needle stick injuries can be decreased by 50 percent with the use of engineered products. A number of companies have developed "needleless needle" systems for injecting solutions into the bloodstream or removing bodily fluids without placing the health care provider at risk of a needle stick. In November 1999, while the Maryland study was still underway, OSHA issued a directive updating the 1992 bloodborne pathogen regulations to encourage the use of needleless technology. The directive requires employers, in devising the exposure control plan required under the OSHA regulations, to ensure that those plans reflect consideration and use of "commercially available safer medical devices," including retractable and needleless needles. The directive also requires that the engineering controls and work practices considered and used by employers include safer medical devices. The directive clarifies that employer reports of occupational exposures must include needle sticks.

Senate Bill 553 (passed) requires the Commissioner of Labor and Industry, in consultation with the Secretary of the Department of Health and Mental Hygiene, to adopt regulations that implement the new bloodborne pathogen standard established by OSHA. If the federal standard is subsequently modified, the commissioner must make recommendations to the General Assembly about modifying the State standard.

Alcoholic Beverages

Statewide Bills

Hard Cider

Senate Bill 757/House Bill 1123 (both passed) treat hard cider as beer, rather than as wine, for alcoholic beverages regulation, licensing, and taxing purposes. Hard cider is defined as a beverage consisting primarily of apples or apple concentrate and water, with no other fruit product, that contains at least one-half of one percent but less than seven percent alcohol by volume. Although the State does not specifically track the sales of hard cider, it is estimated that close to 50,000 gallons of hard cider per year are sold in Maryland. The State tax on beer is nine cents per gallon, and the State tax on wine is 40 cents per gallon.

Pub-breweries and Micro-breweries

Class 6 pub-brewery and Class 7 micro-brewery licenses are issued for establishments that hold retail alcoholic beverages licenses and allow their holders to brew and sell a limited quantity of beer and other malt beverages. *House Bill 967 (passed)* allows the holder of a pub-brewery or micro-brewery license to have or hold a financial interest in one additional retail liquor license that is unrelated to the existing pub-brewery or micro-brewery license.

Winery Events

House Bill 414 (passed) establishes a winery special event permit that allows a Class 4 limited winery to provide free samples of wine or sell wine by the glass for consumption at the event. The winery may also sell bottles of wine for off-site consumption. Permits will be issued for events organized and conducted by a nonprofit organization or a government entity and at which the sale and promotion of alcoholic beverages is a subordinate activity. A Class 4 licensee may receive up to 12 special event permits per year though not more than one per year may be issued for use

in the same political subdivision.

Advertising Signs

Beer brewers, dealers, and wholesalers often supply retail alcoholic beverages licensees with signs that advertise their products. **Senate Bill 253/House Bill 513 (both passed)** increase from \$50 to \$150 the value of an advertising sign that a brewer, a nonresident dealer, or a beer wholesaler may furnish. However, a \$50 value limit is maintained for signs that are manufactured by beer wholesalers and are furnished to alcoholic beverages retailers.

Appeals from a Local Licensing Board

According to *Edgewater Liquors v. Liston*, 349 Md. 803 (1998), only the licensee or applicant for a license has standing to appeal a decision made by a local alcoholic beverages licensing board. **Senate Bill 499/House Bill 504 (both passed)** allow decisions to be appealed by any individual holding a license from the licensing board, by an applicant for the license that is the subject of the decision, or by a group of ten or more persons who are residents or real estate owners in the district in which the licensed place of business is located or proposed to be located. To appeal, an individual or group must be aggrieved by the decision and must be present at the board hearing either in person, by a representative, or by the submission of a written document introduced at the hearing. On appeal to the local circuit court, the individual or group appealing a local board's decision must pay all costs associated with the board's hearing.

Local Bills

Anne Arundel County

Additional Licenses: House Bill 62 (passed) is the product of a 1999 task force established to study multiple liquor licensing in Anne Arundel County. It allows a holder of a Class H (restaurant) alcoholic beverages license to acquire a second Class H license for a restaurant located in one of six designated areas of the county. A person who does not hold a retail alcoholic beverages license may apply for up to two Class H licenses so long as one of the licenses is for a restaurant located in one of the designated areas. In addition, independent owners and operators of restaurants that are part of a common franchise corporate entity may be issued one Class H (beer and wine) license if no retail licenses were held by the owner on January 1, 2000. If a Class H (beer and wine) license was held by an independent owner on January 1, 2000, one additional license may be issued. **House Bill 62**, however, sets a limit of 30 on the number of additional Class H licenses that may be issued. The Anne Arundel County Economic Development Corporation, with the aid of the county's Board of License Commissioners, will study the impact of multiple licensing in the county and report their findings to the county legislative delegation, the county executive, and the county council by January 1, 2006.

House Bill 62 also distinguishes between districts that are underserved and overserved by off-sale licensees and authorizes the Board of License Commissioners to use this distinction in making determinations about the issuance of additional off-sale licenses.

Special Class C Licenses: Special Class C temporary licenses are issued for up to seven consecutive days and allow their holders to serve alcoholic beverages in conjunction with entertainment sponsored by a club, society, or association. **House Bill 242 (passed)** prohibits, unless approval is granted by the Anne Arundel County Board of License Commissioners, the issuance of a special Class C license for a premises where a license has previously been denied, suspended, or revoked. The Act also increases the daily fee for the licenses. The daily fee for a beer license or a beer and wine license is increased from \$10 to \$25, and the daily fee of a beer, wine and liquor license is increased from \$25 to \$50.

Board of License Commissioners: House Bill 241 (passed) authorizes the Board of License Commissioners for Anne Arundel County to hire a second full-time administrator and four additional part-time inspectors. The board also employs a full-time secretary and an attorney.

Baltimore City

Increased License Fees: Several bills enacted by the General Assembly increase the alcoholic beverages license fees in Baltimore City. **House Bill 1384 (passed)** increases by ten percent the annual licensing fees for the majority of the licenses held in the city. Fees for beer and light wine licenses and beer, wine and liquor licenses are affected. **Senate Bill 132 (passed)** increases the annual license fee for an arena license from \$5,000 to \$10,000. **Senate Bill 131 (passed)** increases from \$25 to \$50 the fee that Class A (off-sale) licensees must pay to sell alcoholic beverages on Sundays. The bill prohibits stores from selling alcoholic beverages on the two Sundays preceding Thanksgiving Day. Assuming the number of licenses issued does not change significantly, Baltimore City revenues will increase by approximately \$185,000.

Caterers: Senate Bill 828 (passed) creates a caterer's privilege to be held in conjunction with a beer and wine or beer, wine, and liquor license. A caterer's privilege allows licensees to contract to provide food and alcoholic beverages off the licensed premises during the days and hours that their existing licenses permit. The annual fee for the privilege is \$500 in addition to the fee for the existing license.

Baltimore County

Class A Light Wine Licenses: Class A light wine licenses are issued to holders of Class 4 limited winery licenses and allow wineries to sell their wines for off-site consumption. **House Bill 1112 (passed)** increases from 14 percent to 21 percent the alcohol by volume that a Class A light wine licensee in Baltimore County may sell.

Caroline County

Fingerprinting and Criminal Records Checks for License Applicants: House Bill 874 (passed) requires the Board of License Commissioners of Caroline County, when considering an application for a new license or for the transfer of an existing license, to collect the applicant's fingerprints to be used for both a State criminal records check and a national criminal records check for the applicant. The board may also require an applicant for a license renewal to go through the same process. Applicants will be charged for fingerprinting and for the results of the criminal records checks.

Regulation of Consumption: Two bills concern regulating the consumption of alcoholic beverages in Caroline County. **Senate Bill 465 (passed)** prohibits the possession of an alcoholic beverage in an open container while in a parking lot or otherwise outside of a shopping center or any other retail establishment. Violators are guilty of a misdemeanor. **Senate Bill 627 (passed)** authorizes the County to adopt ordinances or resolutions to further regulate the consumption of alcoholic beverages on public property, on property used by the public, or on any highway.

Cecil County

Golf Courses: Senate Bill 102 (passed) creates a GC (golf course) alcoholic beverages license in Cecil County. The annual licensing fee is \$2,000 and is only available to golf courses with at least 18 holes. The license authorizes on-course consumption of beer, wine and liquor and does not count against the total number of licenses the Cecil County Board of License Commissioners may issue.

Charles County

Regulation of Consumption: House Bill 566 (passed) adds Charles County to the list of subdivisions that may adopt ordinances or resolutions to regulate the consumption of alcoholic beverages on public property, on property used by the public, or on any highway.

Sales to Underage Persons: In a recent field test, Charles County found that the employees of many retail alcoholic beverages licensees were selling illegally to individuals under the age of 21. **House Bill 1332 (passed)** authorizes the Charles County Board of License Commissioners to impose fines of up to \$50 on an employee of a retail licensee if the employee sells alcoholic beverages to a minor.

Frederick County

Cultural Arts Center: The Cultural Arts Center of Frederick County, a multipurpose arts space and arts incubator in downtown Frederick, is scheduled to open in March 2001. **House Bill 427 (passed)** creates a special alcoholic beverages license for the center that will allow beer and wine to be served in conjunction with performances at the center.

Class A Light Wine Licenses: Class A light wine licenses are issued to holders of Class 4 limited winery licenses and allow wineries to sell their wines for off-site consumption. **House Bill 1112 (passed)** increases from 14 percent to 21 percent the alcohol by volume that a Class A light wine licensee in Frederick County may sell.

Garrett County

New Licenses: House Bill 538 (passed) establishes a special Class B-resort beer, wine and liquor license for a complex with at least two separate facilities at which alcoholic beverages will be served. **Senate Bill 549 (passed)** creates a CAT (caterer's) license for stand-alone catering businesses. A CAT license allows its holder to keep for sale and sell alcoholic beverages at a catered event. Licensees may not, however, hold self-sponsored events.

Kent County

Sunday Openings: House Bill 664 (passed) changes from noon to 9 a.m. the time when Class B and Class C licensees operating in Kent County may begin serving alcoholic beverages on Sundays.

Montgomery County

Additional Restaurant Licenses: House Bill 802 (passed) creates a special B-K beer, wine and liquor license to be issued to restaurants in specified areas of the Town of Kensington. Before the bill can become law, it must win voter approval in referendum to be held this year for qualified voters in Kensington. If a majority of voters oppose the measure, the prohibition on permanent retail alcoholic beverages licenses in the Town of Kensington will continue.

House Bill 1058 (passed) adds the Germantown Town Center District to those specified areas of the county in which the holders of Class B beer, wine and liquor licenses may obtain additional alcoholic beverages licenses for restaurants. Depending on where the licensed restaurants are located, a licensee may now hold up to six Class B licenses in Montgomery County.

Prince George's County

Increased License Fees and Salaries: House Bill 1008 (passed) increases by ten percent the license fees for all alcoholic beverages licenses in Prince George's County with the exception of the special Class C (country club) beer, wine, and liquor license and the Class B (hotel) beer, wine and liquor license, which remain unchanged. **House Bill 1008** also raises the annual salaries of part-time inspectors from \$9,270 to \$9,976.

Additional Restaurant Licenses: Three areas in Prince George's County -- the Suitland business district, the Port Towns business district, and the Largo area -- have been identified as being underserved by restaurants. **House Bill 1026 (passed)** allows a licensee to hold more than one Class B (restaurant) beer, wine and liquor license, so long as no more than one of the licenses is outside the targeted districts. Licensees may acquire a maximum of six Class B licenses, though they must wait a year after the fourth license is issued or transferred to acquire a fifth and another year after the fifth license is issued or transferred to acquire a sixth.

St. Mary's County

Special Temporary Licenses: House Bill 1128 (passed) authorizes the holders of temporary licenses in St. Mary's County to purchase alcoholic beverages from a retail licensee rather than from a wholesaler.

Wicomico County

Increased License Fees: House Bill 489 (passed) increases the Wicomico County license fees for Class B beer and

wine licenses and special temporary Class C licenses. The annual fee for a Class B beer and wine license is increased from \$275 to \$400. The daily fees for special Class C licenses are increased by \$10: beer licenses and beer and wine licenses are increased from \$20 to \$30, and beer, wine, and liquor licenses are increased from \$35 to \$45. Taken together, *Senate Bill 477 (passed)* and *Senate Bill 478 (passed)* make the identical fee increases.

Wine Tasting Licenses: Senate Bill 476/House Bill 492 (both passed) create WT (wine tasting) permits available to Class A (off-sale) beer and wine licensees in Wicomico County. The WT permit allows a licensee to hold as many as 15 one-day wine tasting events per year. At an event, store customers may sample small amounts of wine from a selection chosen by the permit holder.

Beer at County Liquor Dispensaries: House Bill 1286 (passed) authorizes the county dispensaries to sell chilled beer, nonchilled beer, ice, and bottled water in addition to wine and liquor.

Liquor Control Board: House Bill 1287 (passed) increases the compensation that members of the Liquor Control Board receive. The chairman of the board receives \$3,500 per year, a \$1,000 increase, and the two other members receive \$2,750, an increase of \$750 each. The compensation increases begin in July 2002.

House Bill 1288 (passed) increases the Liquor Control Board's borrowing limit from \$25,000 to \$500,000. The board seeks the authority to borrow additional funds in case it is needed to support higher rent, maintenance, and renovation costs at the board's new liquor dispensary.

Part I

Financial Institutions, Commercial Law, and Corporations

Financial Institutions

Commissioner of Financial Regulation - Investigative and Enforcement Powers

The Commissioner of Financial Regulation supervises the operation of all State-chartered banking institutions, State-chartered credit unions, consumer loan companies, sales finance companies, mortgage companies, and collection agencies. The commissioner inspects the banks and credit unions annually, receives periodic reports from and regularly examines licensees, and handles consumer complaints against financial institutions and licensees under the commissioner's jurisdiction.

Senate Bill 830/House Bill 727 (both passed) expand the investigative and enforcement powers of the commissioner in several areas. The powers granted under the bills are very similar to the powers of the Securities Commissioner of the Division of Securities in the Office of the Attorney General. Specifically, the bills authorize the commissioner to make investigations to determine whether any person has violated any law, regulation, rule, or order over which the commissioner has jurisdiction. For the purpose of an investigation or proceeding, the commissioner may: (1) administer oaths and affirmations; (2) subpoena witnesses and compel their attendance; (3) take evidence; and (4) require the production of books and records that the commissioner considers relevant.

If the commissioner determines that a person has engaged in an act that constitutes a violation of a law, regulation, rule, or order over which the commissioner has jurisdiction, and that immediate action is in the public interest, *Senate Bill 830/ House Bill 727* authorize the commissioner to issue, without a prior hearing, a summary cease and desist order. The summary order must give notice of the opportunity for a hearing before the commissioner to determine whether the summary order should be vacated, modified, or entered as final.

After proper notice and a hearing, unless waived, if the commissioner finds that a person has engaged in an act that constitutes a violation of any law, regulation, rule, or order over which the commissioner has jurisdiction, the bills authorize the commissioner to: (1) issue a final cease and desist order; (2) suspend or revoke the person's license; or (3) issue a civil penalty order up to a maximum of \$1,000 for a first violation and \$5,000 for each subsequent violation.

If the commissioner believes that a person is about to engage or has engaged in an act that constitutes a violation of any law, regulation, rule, or order over which the commissioner has jurisdiction, the commissioner is authorized to bring an action in court to obtain remedies that include: (1) a temporary restraining order; (2) a temporary or permanent injunction; (3) civil penalties; (4) a declaratory judgment; (5) rescission; and (6) restitution.

Fiduciary Institutions - Disclosure of Customers' Financial Records

Generally, a fiduciary institution or its officers, employees, agents, and directors may not disclose to any person any financial record relating to a customer of the fiduciary institution. Under State law, a "fiduciary institution" means a national or State-chartered bank, an out-of-state bank that maintains a branch in the State, a federal or State-chartered credit union or savings and loan association, or any other entity that is organized under the banking laws of this State and subject to the supervision of the Commissioner of Financial Regulation.

Senate Bill 816/House Bill 736 (both passed) create an exception to the general prohibition against the disclosure of a customer's financial records to allow reports of suspected financial exploitation to be made to local departments of social services. A fiduciary institution or its officers, employees, agents, or directors may disclose the financial records and any other information relating to a customer if the fiduciary institution or its officers, employees, agents, or directors:

- believe that the customer has been subjected to financial exploitation; and
- make the disclosure in a report to the adult protective services program in a local department of social services.

No civil or criminal liability or cause of action arises against a fiduciary institution or its officers, employees, agents, or directors for making a disclosure or report, participating in an investigation or a judicial proceeding resulting from a report filed under the bills, or declining to provide information about whether or not a report was filed. The bill may not be construed to create a duty to make a disclosure or file a report.

Commercial Law

Generally

Laws to Facilitate E-Commerce

In July 1999, the National Conference of Commissioners on Uniform State Laws (NCCUSL) adopted two uniform model laws concerning commercial transactions and information technology, the Uniform Electronic Transactions Act (UETA), introduced as *Senate Bill 3/House Bill 18 (both passed)*, and the Uniform Computer Information Transactions Act (UCITA), introduced as *Senate Bill 142/House Bill 19 (both passed)*.

The Maryland Uniform Electronic Transactions Act: Certain provisions of Maryland law, including the Maryland Uniform Commercial Code (UCC), and common law require many commercial transactions to be documented in writing and signed by the person who intended to be bound by the agreement before they are enforceable. This requirement applies to transactions such as the sale of goods exceeding \$500, a lease for goods exceeding \$1,000, interests in real property, and contracts that cannot be performed within one year.

The UCC defines the term "signed" to mean any symbol executed or adopted by a party with the intent to sign a writing. Case law has interpreted this definition to include not only traditional handwritten signatures, but also marks such as an "x", a thumbprint, or any other symbol, so long as it is executed by the party with the intent to authenticate a writing.

Electronic Signatures: *Senate Bill 3/House Bill 18* establish the Maryland Uniform Electronic Transactions Act, which provides that a record or signature may not be denied legal effect or enforceability solely because it is in electronic form. The bills do not alter the legal requirements that relate to contract formation, including offer and acceptance, consideration or reliance, standards of care, or regulation of contract terms. Substantive legal rules calling for more than a writing or signature, such as acknowledgments or certifications, are also unchanged. The bills apply only to transactions in which each party has agreed to conduct transactions by electronic means.

If a law requires a signature or record to be notarized, acknowledged, verified, or made under oath, *Senate Bill 3/House Bill 18* recognize the electronic signature of a person authorized to perform those acts for electronic signatures or records.

Electronic Records: Under *Senate Bill 3/House Bill 18*, a law requiring that a record be retained is satisfied by retaining an electronic record that accurately reflects the information in the record and remains accessible for later reference. Record retention in this manner satisfies a law requiring a record to be presented or retained in its original form. If a law requires a signature, or provides consequences in the absence of a signature, the law is satisfied with respect to an electronic record if the electronic record includes an electronic signature.

Exclusions: *Senate Bill 3/House Bill 18* exclude transactions covered by parts of the UCC; laws governing the execution of wills; and laws or regulations governing notice concerning the cancellation of utility services, rental or mortgage agreements for a primary residence, or the cancellation of health or life insurance.

The Maryland Uniform Computer Information Transactions Act: Senate Bill 142/House Bill 19 establish the Maryland Uniform Computer Information Transactions Act, a commercial contract statute that provides substantive rules governing electronic commerce contracts and licenses for computer information or programs. Through enactment

of UCITA by the states, the National Conference of Commissioners on Uniform State Laws intends to address concerns that expansion of the nation's economy could be impeded by differences in the commercial laws of each state.

Scope: *Senate Bill 142/House Bill 19* are limited in scope to "computer information transactions," which are agreements with the primary purpose to create, modify, transfer, or license computer information or informational rights in computer information. The bills generally apply to a computer information transaction unless the parties agree otherwise.

The provisions of the bills also apply to mixed transactions. If the transaction involves "non-goods," *Senate Bill 142/House Bill 19* apply only to that part of the transaction that involves computer information; other applicable law will govern the other part of the transaction. If the transaction involves "goods," the Maryland UCC, Title 2 of the Commercial Law Article applies to the "goods" and UCITA applies to the computer information. If the computer information is embedded in the goods, such as on a diskette, UCITA only applies if the goods are "a computer or computer peripheral" or "access to or use of the [computer] program is ordinarily a material purpose of the transaction."

Senate Bill 142/House Bill 19 do not apply to: (1) financial services transactions; (2) contracts to create audio or visual programming provided by broadcast, satellite, or cable; (3) certain agreements in the development of motion pictures; (4) sales of books, prints, magazines, or newspapers, except online books or other similar online products; (5) contracts for the employment of individuals who are not independent contractors; or (6) certain insurance service transactions.

Contract Formation: A valid contract may be formed under *Senate Bill 142/House Bill 19* in any manner sufficient to show an agreement, including offer and acceptance and the conduct of the contracting parties, or the operations of the electronic agents. In the absence of conduct or performance by both parties, a contract is not formed if there is a material disagreement about a material term.

Pre-emption of UCITA: *Senate Bill 142/House Bill 19* expressly state that conflicting federal law and consumer protection laws in Maryland supersede provisions of UCITA and that a court may invalidate a contract term that is unconscionable or would violate a fundamental public policy of this State. The bills clarify that a contract term is unenforceable if it conflicts with a statute, rule, or procedure that cannot be varied by agreement under federal copyright law, including fair use provisions.

Choice of Forum and Choice of Law: *Senate Bill 142/House Bill 19* authorize parties to agree to a choice of forum to litigate a dispute unless the choice is unreasonable or unjust. The bills provide that a Maryland court must determine the enforceability of a choice of forum term in a mass market transaction. The bills also clarify that Maryland courts may exercise personal jurisdiction over out-of-state persons dealing in computer information and computer programs in the same manner as if they were dealing in goods or services. UCITA also allows parties to agree to a choice of law, but specifies that Maryland law applies in mass market transactions if an agreement is not made.

Mass Market Transactions: Also addressed are standard form non-negotiable contracts for computer information called "shrink-wrap" (in the box) and "click wrap" (on-line) agreements. The bills follow the holdings of all case law since 1993, including four federal Circuit Court decisions, that uphold the enforceability of these types of agreements. If such an agreement is with a consumer or certain non-consumer in the retail marketplace, the bills define the agreement as a "mass market transaction" and certain protections are granted. The protections for mass market transactions include:

- a cost-free right of return of computer information if the license terms are not available and the licensee elects to refuse the terms;
- that a term in a mass market license is unenforceable if it is unconscionable, against fundamental public policy (including policies related to competition or innovation), or pre-empted by federal law;
- the ability in mass market licenses to opt out of UCITA;

- requirements that automatic restraints contained in mass market licenses be conspicuous; and
- a prohibition against electronic self-help by a licensor (repossession of computer information by electronic means) in all mass market transactions.

Consumer Protection: In addition to the protections available in all consumer contracts as within the definition of mass market transaction, *Senate Bill 142/House Bill 19* provide specific consumer protections, including:

- if there is a conflict between UCITA and a Maryland consumer protection statute, the provisions of the Maryland consumer protection law prevail;
- amendment of the Maryland Consumer Protection Act to ensure that it will apply to all consumer contracts for computer information, including agreements where the Act does not clearly apply now, such as in access contracts and software downloaded through the Internet;
- a new consumer defense for electronic error in an automated transaction that gives a consumer the right to avoid the effect of an electronic mistake; and
- a four-year statute of limitations for mass market transactions, including consumer transactions, that cannot be reduced by an agreement.

Warranties: *Senate Bill 142/House Bill 19* maintain a licensor's obligation to meet express warranties and add new implied warranties including:

- an implied warranty of merchantability of a computer program (warranty that the program will work for the general purpose for which it was intended);
- an implied warranty of informational content (warranty given if the program contains charts or data expected to be correct, that the information was collected with reasonable care); and
- an implied warranty of system integration (warranty given if the program was bought by relying on the merchant's advice that it will work with other programs or equipment).

In a consumer contract, a disclaimer or modification of the implied warranties of merchantability and system integration and the remedies for these warranties are prohibited unless the computer program is given to the consumer free of charge or is for the purposes of a beta test.

Breach of Contract: In the event of a breach of contract, the bills provide remedies and damages to place the aggrieved party in the same position as the party would have been in had the other party performed as agreed. Access contracts may be discontinued for a material breach; however, a three-day notice must be provided before discontinuation unless the breach involves a violation of a contractual use term.

Cancellation and Electronic Self-Help: A license may only be canceled under *Senate Bill 142/House Bill 19* for a material breach and, if canceled, the licensor has the right to the possession of the copies of the information and to prevent the continued use of the information by the licensee. The only non-judicial means to exercise these rights under the bills is the limited remedy of electronic self-help.

Senate Bill 142/House Bill 19 expressly prohibit electronic self-help unless the parties agree to permit its use and electronic self-help is strictly prohibited in mass market transactions regardless of what the agreement provides. If the parties agree to permit the use of electronic self-help, certain limitations still apply, including:

- prior to the cancellation of a license, a licensee must be given an opportunity to cure the breach;
- before electronic self-help is exercised, a licensor must give a licensee 30 days notice (the notice is required to state the nature of the claimed breach and provide contact and address information for the licensee to use to

communicate with the licensor);

- electronic self-help may only be exercised without a breach of the peace and without foreseeable risk of personal injury or significant physical damage to information or property other than the licensed information;
- in the event of a wrongful exercise of self-help, a licensee can recover direct and incidental damages as well as consequential damages at the time self-help is exercised; and
- electronic self-help may not be used if the licensor has a reason to know it will result in substantial injury to the public health or safety, or in grave harm to the public interest affecting a third person not involved in the dispute.

Joint Technology Oversight Committee: Senate Bill 142/House Bill 19 also establish a Joint Technology Oversight Committee comprised of five senators and five delegates to review the implementation of UCITA and to make any appropriate recommendations to the Governor, the Legislative Policy Committee, the Senate Finance Committee, and the House Economic Matters Committee. The joint committee may also study and make recommendations on other technology related issues. The joint committee terminates in five years.

Consumer Contracts

Contract Late Fees: In *United Cable v. Burch*, 354 Md. 658 (1999), the Maryland Court of Appeals held that a \$5 per month late fee charged by a cable provider was invalid as a penalty. The court held that under Maryland law, damages for breach of a contract for the payment of money equal the amount due plus interest set at the legal rate. Article III, § 57 of the Maryland Constitution sets the legal rate of interest at 6 percent per annum, unless provided otherwise by the General Assembly. The court recognized that the modern view is that late charges are not penalties but reasonable compensation in commercial transactions, but declined to adopt that rule judicially because of the constitutional nature of the interest rate.

The court noted that late charges have been authorized by statute in various instances, including mortgages, residential leases, service charges for commercial loans secured by inventory or accounts receivable, retail credit accounts, charges by a government or governmental agency, and condominium assessments and installments. However, without authorization by the General Assembly, a contract for the payment of money may not contain a late fee beyond the legal rate.

The *United Cable* decision brought into question the validity of late fees not authorized by statute, including late fees on homeowners' association fees and assessments; any type of service agreement; contracts with plumbers, contractors, electricians, and home repair companies; agreements for the provision of professional services; leasing agreements; membership agreements; tuition payments; and medical and dental services.

Senate Bill 145 (passed) authorizes the parties to a "consumer contract" to agree to the payment of a "late fee" when a party fails to make a payment by the due date as an exception to the legal rate of interest established in the Maryland Constitution. A late fee is any charge or fee imposed because a payment is not made when due under the terms of the contract. A late fee imposed under a consumer contract is neither interest, a finance charge, liquidated damages, nor a penalty. A consumer contract imposing a late fee must disclose the amount of the late fee, the conditions under which the late fee will be imposed, and the timing for the late fee's imposition.

Senate Bill 145 places a cap on the imposition of late fees for consumer contracts. Specifically, the cap that would apply retroactively and up until October 1, 2000, is the greater of up to \$10 per month or up to 10 percent per month of the payment amount that is past due.

Beginning October 1, the late fee in a consumer contract is subject to one of the following cap limitations. The first limitation allows the late fee to be the greater of up to \$5 per month or up to 10 percent per month. However, for this limitation, the late fee may not be imposed more than three times for any single payment amount that is past due. The alternative limitation allows the late fee to be up to 1.5 percent per month. For either limitation, the amount of the late fee must be disclosed in at least ten-point bold type.

In addition, *Senate Bill 145* provides for a grace period before the imposition of a late fee. The late fee may not be imposed until 15 days after the bill was rendered or, if no bill was rendered, then 15 days after the payment becomes due.

Senate Bill 145 terminates October 1, 2005.

Credit Regulation

The Mortgage Lending Industry

Regulation by the Commissioner of Financial Regulation: During the 1999 interim, newspaper reports revealed instances in Baltimore City where distressed houses were bought cheaply and then, after having received inflated appraisals, were resold for significantly higher amounts, a procedure known as "flipping." Often, the properties were sold to unsophisticated buyers with limited resources, poor credit histories, and a strong desire to own a home. After closing, a buyer who experienced difficulty in paying the mortgage might be unable to refinance because of an inflated original mortgage. The buyer may then be forced to default on the loan. Apparently, more than 2,000 Baltimore houses were bought and quickly resold in the last four years for price increases of 100 percent or more. In most cases, little if any work was done on the dilapidated houses and both buyers and lenders were defrauded.

In response to these reports, *Senate Bill 872/House Bill 1337 (both passed)* tighten regulation by the Commissioner of Financial Regulation of the mortgage lending industry. The bills require licensed mortgage lenders to notify the commissioner in writing of a proposed change in location or ownership and to obtain the commissioner's approval. For a change in ownership, the commissioner may require the licensee to provide information necessary to determine whether a new application is required because of a change of control. The commissioner must approve or deny a request within 60 days after receiving it, or the request is deemed approved.

Examinations: *Senate Bill 872/House Bill 1337* require the commissioner to examine a licensed mortgage lender at least once during any 36-month period. New licensees must be examined within 18 months from the date the license is issued. The bills increase the fee a licensee must pay, from \$100 to \$250 per day, for each of the commissioner's employees working on an examination or investigation. The bills clarify the conditions under which the commissioner may suspend a license.

Finders' Fees: The bills prohibit a mortgage broker from charging a finder's fee in any transaction in which the mortgage broker or an owner, part owner, partner, director, officer, or employee of the mortgage broker is the lender or an owner, part owner, partner, director, officer, or employee of the lender. The bills require the finder's fee to be based on a written agreement between the mortgage broker and the borrower which is separate and distinct from any other document. A copy of the agreement will be provided to the borrower within ten business days after the loan application is completed.

Violations: *Senate Bill 872/House Bill 1337* remove the requirement that a violator of the Mortgage Lender Law must have failed to comply with a cease and desist order before the commissioner may impose a civil penalty. The bills also change violation of the Mortgage Lender Law from a misdemeanor to a felony and subject violators to a maximum penalty of a \$50,000 fine and/or ten years imprisonment.

Continuing Education for Mortgage Lenders: Chapter 760, Acts of 1998 enacted the recommendations of the Task Force to Examine the Mortgage Lending Business and required the Commissioner of Financial Regulation to adopt regulations establishing continuing education requirements for mortgage lenders by July 1, 2000.

The continuing education requirements for mortgage lenders do not apply to the first renewal of a license, meaning that the compliance requirement for the first group of licensees is scheduled for fiscal 2003. *House Bill 1203 (passed)* implements continuing education monitoring by the commissioner in 2001, two years earlier than required by Chapter 760.

Access to Home Equity Credit through Use of a Credit Device

Senate Bill 340/House Bill 698 (both passed) allow a person to access the funds of the person's home equity line of credit through the use of a check cashing card in a manner similar to using a credit card. Currently, a person can only access the funds available in a home equity line by writing a check. **Senate Bill 340/House Bill 698** apply to Maryland chartered banks and credit unions. Federal chartered banks and credit unions already have authority under federal law to offer this service to their customers.

Licensing of Check Cashing Services

A growing concern among many consumer advocates is the existence of a two-tiered financial system: one is regulated, with consumer protections and many choices for creditworthy households; the other is a booming, unregulated network of small businesses that typically serve lower-income households and charge fees for financial services that are significantly higher than those permitted by law to be charged by banks for virtually the same services. The major player in the unregulated tier is the check cashing industry.

While various experts have differing opinions as to why the check cashing industry has experienced tremendous growth in the past several years, most point to the following reasons: the increasing number of financial institution mergers and the resulting departure of mainstream financial institutions largely from poorer, urban areas; rising bank fees in general; and banks' disinterest in handling basic accounts or making small consumer loans. The consumers that these banks seem to have left behind still have a need for basic financial services, and check cashing companies, pawnbrokers, and "payday lenders" are stepping in to fill the need.

Senate Bill 450/House Bill 516 (both passed) require check cashing services, with certain exceptions, to be licensed and regulated by the Commissioner of Financial Regulation. A separate license is required for each place of business.

Check cashing services that are exempt from the bills include: (1) services for which a fee of up to 1.5 percent of the payment amount is charged and that are incidental to the retail sale of goods or services; (2) transactions that are subject to the Maryland Consumer Loan Law where a maximum 33 percent interest rate per annum applies; and (3) financial institutions. This includes a transaction in which an additional fee is charged to defer the presentment or deposit of a payment instrument until a subsequent date (pay day loan). Affiliates and subsidiaries of financial institutions are only exempt from the licensing provisions under certain conditions.

To qualify for a license, an applicant must show that: (1) the applicant's business will promote convenience and advantage to the community; (2) the applicant or owner has sufficient experience, character, and financial responsibility; and (3) the applicant has not committed an act that would be grounds for a license suspension or revocation. The applicant or licensee must provide fingerprints for use in conducting a criminal history records check at application and other times. The applicant's cost for each license includes: (1) a \$100 non-refundable investigation fee; and (2) a \$1,000 two-year license fee -- the fee is \$500 if the applicant applies with only one year left in the two-year licensing term. Licensees must make books and records available to the commissioner.

The licensee must pay a customer, after reviewing acceptable identification, the face value of the check, less the fee charged. The licensee may not charge any other fee, including late fees or other service fees, in excess of the greater of: 2 percent or \$3 for government checks; 10 percent or \$5 for personal checks; and 4 percent or \$5 for other checks. The licensee may charge a customer a one-time membership fee not to exceed \$5.

The commissioner may impose administrative penalties for violations, subject to the opportunity for a hearing, including a cease and desist order, suspension or revocation of the license, and a civil penalty of up to \$1,000 for a first offense and up to \$5,000 for a subsequent offense. A knowing violation is a misdemeanor, punishable by a fine of up to \$5,000 or imprisonment for up to three years, or both. A person injured by a violation has a private cause of action and may be awarded up to three times the amount of actual damages, the amount paid by the plaintiff to the defendant, reasonable attorney's fees, and costs.

Consumer Protection

Motorized Wheelchair Warranty Enforcement Act

House Bill 35 (passed) includes motorized scooters and other motorized wheeled devices designed to provide mobility assistance for individuals with disabilities within the protections of the Motorized Wheelchair Warranty Enforcement Act. A manufacturer selling a motorized wheelchair to a consumer is required to furnish a customer with a written warranty for parts and performance.

Telephone Solicitation

During the 1999 interim, a work group of the Senate Finance Committee studied the issues relating to unwanted telephone solicitations. Based on the recommendations of the work group, **Senate Bill 185/House Bill 339 (both failed)** would have required the Public Service Commission to create and operate a database of residential telephone subscribers in the State who chose not to receive telephone solicitations. The bills would have required telephone solicitors to purchase the latest updated version of the database and to refrain from soliciting telephone numbers listed in the database. A violation would have been an unfair trade practice. The Office of the Attorney General (Consumer Protection Division) would have had responsibility for enforcing the bills. These bills are also discussed under the Public Service Companies section under Part H.

House Bill 1097 (failed) would have regulated the practices of telemarketing businesses in the State by requiring merchants engaged in telephone solicitations to disclose specified information to consumers before any sales presentation. Telemarketing businesses would also have been required to register annually with the Division of Consumer Protection.

Corporations and Associations

Corporations

The State Department of Assessments and Taxation (SDAT) currently is authorized to charge fees for processing business documents on an expedited basis, in addition to the fees associated with normal business document processing. The revenue generated from the expedited processing fees is deposited in the State general fund. Because the demand for expedited processing services has grown over the years, but departmental funding has remained fairly constant, SDAT does not have sufficient resources available to process in a timely manner all the requests it receives.

To address concerns about the backlog of expedited service requests, **House Bill 16 (passed)** increases from \$30 to \$50 the fee SDAT is authorized to charge for recording documents on an expedited basis. All revenue derived from expedited processing fees will be credited to a special fund, which will be used to finance the costs of reviewing, processing, and auditing business documents on an expedited basis. SDAT has indicated that it plans to use the special fund to upgrade its computer system and hire additional staff.

Corporations and Real Estate Investment Trusts

House Bill 851 (passed) makes a number of changes in the laws governing Maryland corporations and real estate investment trusts (REITs). The bill:

- eliminates a requirement that the board of directors of a corporation value any nonmonetary consideration for stock or convertible securities, and instead requires only that the board set the minimum consideration for the stock or convertible securities;
- allows holders of preferred stock to consent to any action by the written consent of the stockholders who are entitled to cast not less than the minimum number of votes necessary to take action at a meeting of the stockholders;
- authorizes a Maryland corporation to have only one director, regardless of whether there is stock outstanding;
- allows the charter of a corporation to provide that the voting power of directors may vary among the directors;

establishes additional exceptions to appraisal rights for stock that: is designated for trading on the NASDAQ Small Cap Market; is not entitled to be voted on the transaction giving rise to the appraisal rights; or is exempted from appraisal rights by a provision in the corporation's charter;

- allows closed-end investment companies to elect to be subject to, and obtain the advantages of, the Maryland business combination statute and the Maryland control share acquisition statute; and
- reduces the threshold for satisfying the definition of "control shares" under the Maryland control share acquisition statute to conform to the same 10 percent trigger contained in the Maryland business combination statute.

Business Trusts

Chapter 452 of the Acts of 1999 created a statutory basis for the formation of business trusts in Maryland and required the name of a business trust to comply with Title 1, Subtitle 5 of the Corporations and Associations Article. This law requires a business entity name to be distinguishable on the records of the State Department of Assessments and Taxation from other business entity names. While Chapter 452 of 1999 required a business trust's name to comply with Title 1, Subtitle 5, it failed to make a corresponding change in that law. *Senate Bill 37 (passed)* corrects this omission by adding business trusts to the definition of "entity" for purposes of Title 1, Subtitle 5 of the Corporations and Associations Article.

Part J

Health

Public Health - Generally

Tobacco Settlement

Cigarette Restitution Fund

The Master Settlement Agreement is a watershed in the long history of tobacco litigation. Under this unprecedented agreement, the settling manufacturers will make regular payments to 46 states, 5 territories, and the District of Columbia as well as conform to a plethora of restrictions on marketing to youth and the general public. The fiscal 2001 budget bill contains the first appropriation of settlement payments from the Cigarette Restitution Fund, with \$102.5 million allocated for fiscal 2000 deficiencies and \$163.75 million for fiscal 2001 programs. For more detail, see Part A - Budget and State Aid of this *90 Day Report*.

To establish parameters for tobacco and cancer control programs supported by cigarette restitution funds, *Senate Bill 896/House Bill 1425 (both passed)* create the Tobacco Use Prevention and Cessation Program and the Cancer Prevention, Education, Screening, and Treatment Program under the Department of Health and Mental Hygiene (DHMH). Funding for the programs must be specified in the annual budget bill. In the fiscal 2001 budget, a total of \$18.1 million is earmarked for the Tobacco Use Prevention and Cessation Program and \$30.8 million for the Cancer Prevention, Education, Screening, and Treatment Program. With the exception of some planning and start-up activities, no funds for either program may be expended until baseline studies are completed. At the end of the fiscal year, any money that is reverted to the Cigarette Restitution Fund should be appropriated for the same program in the following fiscal year.

Tobacco Use Prevention and Cessation Program

The purpose of the Tobacco Use Prevention and Cessation Program is to reduce tobacco use among youth, targeted minorities, and the general population. The program has five components: Administrative, Surveillance and Evaluation, Statewide Public Health, Counter-Marketing, and Local Public Health. While *Senate Bill 896/House Bill 1425* do not allocate funding among the components, the legislation mandates that the annual budget bill specify the funding for each component.

In the tobacco program, the Administrative Component includes all departmental activities related to administering the program. Unless otherwise specified in the Budget Bill, funding for the Administrative Component may not exceed five percent of the total funding for other components. Other entities that receive funds from the department may use a maximum of seven percent of the award for administrative expenses.

To implement and monitor the success of the tobacco program, the department will conduct a baseline survey of tobacco use, annual follow-up surveys of tobacco use, and program evaluations under the Surveillance and Evaluation Component. To facilitate coordination of all activities of the program, DHMH shall conduct activities under the Statewide Public Health Program.

Under the Local Public Health Component of the tobacco program, DHMH will distribute funds to community health coalitions through the local health departments for anti-tobacco use programs that are consistent with the recommendations of the Centers for Disease Control and the Task Force to End Smoking. To receive funds, a coalition must submit a comprehensive plan. The funding formula is based on the number of individuals and minors who use tobacco products.

Cancer Prevention, Education, Screening, and Treatment Program

The purpose of the Cancer Prevention, Education, Screening, and Treatment Program is to reduce the morbidity and mortality from cancer in targeted minority populations and the general population. The program has five components: Administrative, Surveillance and Evaluation, Statewide Public Health, Local Public Health, and Academic Health Center. While *Senate Bill 896/House Bill 1425* do not allocate funding among the components, the legislation mandates that the annual budget bill specify the funding for each component.

The Administrative, Surveillance and Evaluation, and Statewide Public Health Components are similar to the tobacco program. The Local Public Health and Statewide Academic Health Center Components are structured differently in the cancer program.

Under the Local Public Health Component of the cancer program, DHMH will award funds to community health coalitions through the local health departments based on a comprehensive plan. The coalitions may consist of a wide-range of individuals and organizations and must include major community hospitals in the coalitions of Prince George's County, Montgomery County, Baltimore County, and Baltimore City. In Prince George's and Montgomery counties, the bills direct the coalitions to work with the Statewide Academic Health Centers to increase cancer-related capacity at the major community hospitals. In Baltimore County and Baltimore City, the coalitions must work in conjunction with the major community hospitals to increase cancer-related capacity. DHMH will distribute funds based on incidence and mortality rates to all jurisdictions, with the exception of Baltimore City because its local public health grants are funded from the Statewide Academic Health Center Component.

In the cancer program, the Statewide Academic Health Center Component includes public health and research grants for the University of Maryland Medical Group and the Johns Hopkins Institutions. In conjunction with the Baltimore City Health Department, the academic health centers will form a community health coalition to develop comprehensive cancer plans. Funding for each institution will be a minimum of \$2 million plus any additional funds transferred from the Local Public Health Component. To receive a research grant for cancer, the University of Maryland Medical Group and the Johns Hopkins Institutions must submit a research plan and a memorandum of understanding that outlines the State's financial interest in research developments. In addition to the cancer grant, the University of Maryland Medical Group may apply for a tobacco-related diseases research grant if funds are specifically allocated in the budget for that purpose. The University of Maryland Medical Group may also apply for a network grant to enhance quality of care across the State.

Restricting Tobacco Access

With one exception, State law prohibits a person engaged in the business of selling or distributing tobacco products for commercial purposes from selling or distributing those products to minors. The exception applies to the owner or person exercising control over a tobacco vending machine if a minor has bought a tobacco product from a machine that displays a conspicuous label stating the prohibitions and the criminal penalties concerning the distribution of tobacco products to minors.

The issue of minors' access to tobacco products was again debated in the 2000 session. *Senate Bill 271 (passed)* repeals the vending machine labeling law exception and prohibits the sale of tobacco products through a vending machine unless the vending machine is: (1) located in an establishment that minors are prohibited by law from entering or located in an establishment that is a bona fide fraternal or veterans organization; or (2) operable only through the use of a token, card, or similar device obtained from the owner or an employee or agent of the owner of an establishment. A violator is guilty of a misdemeanor and, on conviction, subject to a fine not exceeding \$100. It is estimated that vending machine sales in Maryland currently represent about one percent to two percent of total cigarette sales. The effect of *Senate Bill 271* was contingent on the failure of *Senate Bill 899*.

Senate Bill 6 (passed) prohibits a retailer or vending machine operator from purchasing from a tobacco product manufacturer or selling, reselling, distributing, dispensing, or giving away to any person a package of cigarettes that contains less than 20 cigarettes. A wholesaler may not sell, resell, distribute, dispense, or give away to any person a package of cigarettes containing less than 20 cigarettes.

Improving Medical Access

The Maryland General Assembly passed legislation to improve access to health care for citizens without access to health care coverage and those that have had difficulty utilizing available coverage.

Maryland Health Programs Expansion Act of 2000

Chapter 110 of 1998 established the Children and Families Health Care Program (program) pursuant to the federal Children's Health Insurance Program (Title XXI of the federal Social Security Act). The State's program provides health insurance coverage for children with family incomes up to 200 percent of the federal poverty guidelines (FPG) through enrollment in HealthChoice. Implemented in July 1998, Maryland's program currently covers over 63,000 children.

Senate Bill 863/House Bill 2 (both passed) repeal the "family contribution" requirement, which would have called for program enrollees whose family incomes are at or above 185 percent but at or below 200 percent of the federal poverty guidelines to pay a portion of their medical premium.

Also, the bills establish a private option plan that allows children whose family income is greater than 200 percent and at or below 300 percent of the FPG to receive subsidized health insurance either through employer-sponsored health benefit plans or through a HealthChoice managed care organization. In addition, the bill augments Medicaid income eligibility for pregnant women from 200 to 250 percent of the federal poverty guidelines. For more detail on this program see Health Insurance in this Part.

Governor's Wellmobile Program

The Governor's Wellmobile Program (program) was established in 1994 and is operated and staffed by the University of Maryland, School of Nursing. Currently, the School of Nursing owns and operates two Wellmobiles equipped with exam rooms, laboratory space, and reception areas. The Wellmobiles deliver primary and preventive health care services in Baltimore City, in Central Maryland, and on the Eastern Shore. Services include physical exams, health education, smoking cessation programs, immunizations, well-child care, diagnosis and treatment of common illnesses, lab tests, and a range of adult and women's services. The program services an average of 30 patients per day or 7,500 annually. Since 1999, the program has been funded through various private grants.

Senate Bill 802/House Bill 433 (both passed) codify and expand the program statewide. Program expansion is expected to increase expenditures by approximately \$2.3 million in fiscal 2001 for the purchase of five new Wellmobiles and staff. The bills create a nine-member Governor's Wellmobile Program Advisory Board to assist the School of Nursing in overseeing and raising funds for the program.

Medical Assistance

Expedited Eligibility: Senate Bill 395/House Bill 866 (both passed) require DHMH to implement an expedited eligibility for any individual who applies for the Maryland Children's Health Program through a local health department. "Expedited eligibility" is a streamlined process for determining eligibility that must be completed within ten working days of the date of application. Pregnant women and children have faced barriers to enrollment in HealthChoice when they are receiving or are applying for other forms of assistance, such as food stamps, medical assistance, and cash assistance.

Continuity of Care: Senate Bill 359/House Bill 950 (both passed) require DHMH to establish mechanisms to ensure that a participant in HealthChoice is able to select and keep his or her primary care provider, even if that provider has left the recipient's managed care organization and contracted with another managed care organization. Under the bills, an enrollee may maintain continuity with a selected primary care provider if the primary care provider terminates the contract with the managed care organization under certain circumstances, but has a contract with another managed care organization; the managed care organization terminates its contract with the department; or the managed care organization is acquired by another entity and the provider contract between the provider and the managed care organization is terminated.

Pharmacy Assistance: The Maryland Pharmacy Assistance Program is for low income individuals who would

otherwise not be able to afford prescription drugs for treatment of illnesses. According to the American Association of Retired Persons, there are 14 states with pharmacy assistance programs. Maryland and Wyoming are the only states without specific age or disability eligibility requirements. Maryland is, however, one of the more stringent states for income eligibility criteria. ***Senate Bill 621 (passed)*** requires the Secretary of DHMH to develop a program that will provide information to ineligible Maryland Pharmacy Assistance Program applicants regarding other programs that they may be eligible for, including free programs offered by drug manufacturers. The bill requires the Secretary, in cooperation with specified agencies and persons, to study and report on the possibility of a buy-in prescription assistance program for the elderly who are eligible for the Pharmacy Assistance Program. The Secretary must report to the Governor and the General Assembly by December 31, 2000.

Long-Term Care: Senate Joint Resolution 4 (passed) request the U.S. Congress to amend Title XIX of the Social Security Act to allow assets exempted under a state's long-term care partnership program to be excluded from Medicaid estate recoveries. Federal law requires a state to seek recovery from an individual's estate for medical assistance paid to a nursing facility or for other long-term care services.

The Partnership for Long-Term Care Program (Chapter 513 of 1993) sought to encourage individuals to purchase long-term care policies for the purpose of qualifying for Medicaid without exhausting all of one's resources. Chapter 442 of 1996 postponed the implementation of the Maryland Partnership for Long-Term Care Program until federal law allows an exemption from the Medicaid estate recovery requirements. Currently, an individual must spend assets down to \$2,500 to be eligible for Medicaid coverage for nursing home care. The Partnership for Long-Term Care Program would have allowed individuals with long-term care policies to maintain assets in an amount equal to the benefits paid to nursing facilities under the long-term care policy. The U.S. Congress subsequently passed amendments to Section 1917 of Title XIX that require a state to recover Medicaid costs paid to a nursing facility for an individual, whether or not the individual has a long-term care policy.

Substance Abuse Assistance

The Committee on Availability and the Committee on Effectiveness within the Task Force to Study Increasing the Availability of Substance Abuse Programs (the SIASAP Task Force) found that there was insufficient treatment capacity in Maryland to address substance abuse. The committees recommended that Maryland establish a statewide treatment system which allows for coordinated care, efficient funding streams, improved access for the uninsured and improved accountability. The fiscal 2001 budget funds a number of substance abuse programs in DHMH, the Departments of Human Resources, Public Safety and Correctional Services, and Juvenile Justice.

The General Assembly acted to further increase treatment capacity through ***Senate Bill 743/House Bill 1205 (both passed)*** which establish the Substance Abuse Treatment Outcomes Partnership Fund. The fund is placed in DHMH and will make grants available to counties that submit proposals for substance abuse treatment programs. Participating counties must provide a local match of 50 percent, although DHMH may waive some or all of that requirement under certain circumstances. Counties may apply for funds to make substance abuse treatment programs available to inmates, mothers of drug-addicted infants, foster care children and parents, first time drug offenders, pretrial correctional inmates and other at-risk populations. DHMH is required to consult with the SIASAP Task Force when evaluating proposals and awarding partnership funds. The Governor is required to include \$4 million for fiscal 2002, \$8 million for fiscal 2003, and \$12 million for fiscal 2004 to finance the fund.

The Integration of Child Welfare and Substance Abuse Treatment Services Act, ***House Bill 7 (passed)*** requires the Department of Human Resources (DHR) and DHMH, in consultation with a broad range of child welfare professionals, to develop a statewide protocol for integrating child welfare and substance abuse treatment services on or before December 1, 2000.

The protocol addresses training requirements for substance abuse treatment and child welfare personnel and requires the Secretaries of DHR and DHMH to enter into a memorandum of understanding on or before June 30, 2001, to implement the provisions of the bill. For more detail see Part M - Human Resources of this *90 Day Report*.

Senate Bill 864/House Bill 1267 (both passed) establish the Drug and Alcohol Treatment to Work Pilot Program. The legislation requires the Alcohol and Drug Abuse Administration (ADAA) in DHMH to establish a three-year pilot

program to provide one year of training or employment related to the provision of lead abatement services to individuals aged 18-34 who have completed an inpatient drug or alcohol rehabilitation program. Participation is limited to 100 individuals, 80 percent from Baltimore City and Prince George's County and 20 percent from Allegany, Dorchester, Somerset, Wicomico, and Worcester counties. The bills' aim is to address two serious problems in the State: (1) a shortage of qualified personnel to do lead abatement and protect children from the hazards of lead poisoning; and (2) the provision of training, employment, and support to individuals in recovery from substance abuse.

Short-Term Prescription Drug Subsidy Plan

Senate Bill 855 (passed) addresses the increasing need to provide adequate prescription drug coverage to Medicare enrollees, particularly to those residing in medically underserved counties. Medicare is the nation's largest health insurance program, covering approximately 39 million Americans. It provides health insurance to people aged 65 and over, those who have permanent kidney failure, and certain people with disabilities. Medicare does not, however, provide any type of prescription benefits. Instead, Medicare enrollees may purchase supplemental health insurance plans that include prescription drug benefits. Supplemental plans that include drug benefits are often cost-prohibitive for those with limited incomes.

This bill establishes a short-term prescription drug subsidy plan for certain Medicare enrollees who live in medically underserved counties. Enrollment is limited to 15,000 individuals annually. The bill specifies certain premiums, copayments, deductibles, and annual maximum benefit allowances. The prescription drug subsidy plan will be abrogated the earlier of June 30, 2002, or when Medicare provides prescription drug benefits for its enrollees. For more detail on this plan see Health Insurance in this Part.

Health Risks - Reducing Exposure

The General Assembly acted to address the concerns of health care workers and the general public about the risk of exposure to disease or death from unsafe products, exposure to pathogens, and inadequate health care.

Bloodborne Pathogens

Senate Bill 553/House Bill 360 (both passed) require the Commissioner of Labor and Industry in consultation with DHMH to adopt regulations that implement the federal bloodborne pathogen standard in effect as of November 5, 1999. For a more detailed discussion of health care workplace safety, please see the Labor and Industry section under Part H, Business and Economic Issues.

Senate Bill 554/House Bill 845 (both passed) establish reporting requirements for Hepatitis C beginning July 1, 2001. Of the six known forms of Hepatitis, Hepatitis C is considered the most serious form of the disease. Hepatitis C is spread through contaminated blood. Besides health care workers, people at risk include those with body piercing with unsterilized instruments, those with tattoos and those who share items like razors or toothbrushes which contain infected blood. The bills require medical directors to report the occurrence of Hepatitis C in human laboratory specimens analyzed by medical laboratories.

Reducing Meningitis Exposure

To address the alarming incidences of meningococcal disease among college students who reside in on-campus housing, the General Assembly enacted *Senate Bill 653/House Bill 227 (both passed)*. The bills require on-campus resident students enrolled in higher education institutions to be vaccinated against meningococcal disease. Adult students and the parents of minor students may refuse the vaccine after being fully informed of the risks from disease and the availability and effectiveness of the vaccine. An estimated 100 to 125 cases of meningococcal disease occur annually among Maryland students and 5 to 15 deaths result from the disease.

The General Assembly also acted to reduce exposure to disease in the health care institution setting. *House Bill 846 (passed)* provides immunization protection against influenza and pneumonia for nursing home residents and influenza immunization for employees of related institutions. For a detailed discussion about immunization concerns in health care institutions, please see Health Care Facilities and Regulation in this Part.

Lead Exposure Abatement

Childhood lead poisoning is the number one environmental hazard facing children. Each year over 6,000 children in Baltimore City are diagnosed with dangerous lead levels and 1,200 children are diagnosed with lead poisoning. Baltimore City's lead poisoning rate is over 15 times the national average and Maryland's lead poisoning rate is almost seven times the national average. In 1998, 31.2 percent (17,753) of the children under the age of six in Baltimore City received a blood lead test. Of these children,

22 percent had an elevated blood lead level and 3.8 percent had lead poisoning. The high lead poisoning rate in Baltimore City is due to a high percentage of pre-1950 housing, a high percentage of rental housing, a high concentration of low-income communities, and a failure by government agencies to enforce existing laws aimed at reducing lead poisoning.

Childhood lead poisoning affects both student academic performance and juvenile delinquency. Children who are poisoned by lead are seven times more likely to drop out of school and five times more likely to suffer from learning disabilities. This tends to increase special education costs, lower student academic performance, and increase juvenile delinquency.

Senate Bill 712/House Bill 1221 (both passed) require children residing in areas designated as at risk for lead poisoning to receive a blood test for lead poisoning. The Secretary of the Department of Health and Mental Hygiene must require providers caring for children in such areas to administer blood tests to children by ages 12 months and 24 months, and to children over age 24 months who have not received a blood test for lead poisoning. The bill provides a waiver of blood lead testing for religious reasons.

Medical laboratories must report blood lead test results to the Department of the Environment and in Baltimore City to the Commissioner of the Baltimore City Health Department. The Commissioner of the Baltimore City Health Department is authorized to report the test results to the Baltimore Immunization Registry and to an immunization registry subsequently developed by the Department of Health and Mental Hygiene. By September 2003, parents and legal guardians of children residing in areas designated as at risk for lead poisoning must provide proof that their children have received blood lead testing at the time the child enters a public prekindergarten program, kindergarten program, or first grade.

The fiscal 2001 State budget includes an additional \$500,000 in general funds to augment the State's existing program to prevent lead poisoning in children and to expand the State's existing testing program for lead. However, these funds are targeted primarily for Baltimore City. An additional \$500,000 in general funds may be needed to ensure that all children residing in a designated at-risk area receive a blood lead test. For more detail on the funding for lead poisoning prevention in the fiscal 2001 budget see Part A - Budget and State Aid of this *90 Day Report*.

Exposure in Beauty Salons

Since July 1999, Maryland law has prohibited the use of methyl methacrylate liquid monomer in beauty salons. This compound, at one time used in artificial nail products, has caused injuries, infections, allergic reactions, deformity of fingernails and contact dermatitis. For nail technicians and their clients, methyl methacrylate liquid monomer can also cause respiratory distress, nerve damage, lung, liver and heart damage, and kidney lesions. **House Bill 135 (passed)** further restricts access to methyl methacrylate monomer by prohibiting any person from selling this compound to beauty salons. The bill does not restrict the use of methyl methacrylate monomer by health care professionals.

The Risk of Maternal Mortality

The risk of maternal death has been cited as a serious public health concern by the Centers for Disease Control. The incidence of maternal mortality is particularly acute in Maryland. Under current law, there is no statutory body charged with investigating causes of maternal death. These deaths are significantly under reported due to concerns over civil litigation or criminal prosecution. Through **Senate Bill 459/ House Bill 515 (both passed)**, Maryland becomes one of over 25 states that have established or reestablished maternal mortality review committees, intended to document and

address the causes of maternal mortality. The bills require DHMH to identify maternal death cases, review records and data, consult with experts and make recommendations regarding prevention of maternal death. The bills terminate September 30, 2003.

Developmental Disability Mortality Review

A 12-member Mortality Review Committee within DHMH is established through *House Bill 1268 (passed)*. The bill requires the department to evaluate deaths in facilities or programs licensed by the Developmental Disabilities Administration. The committee is charged with identification of systemic problems and patterns of inadequate care. The committee must make recommendations to the Secretary regarding prevention of avoidable deaths and improvement of overall quality of care.

Miscellaneous Health Measures

Oral Cancer

Relative survival rates for oral cancer are among the lowest of all major cancers, with a 50 percent five-year survival rate. The survival rate has not increased over the past 16 years and tobacco use is strongly linked to the incidence of oral cancer. This and other associated risk behaviors are high in minority populations, where the survival rate for oral cancer has decreased in contrast to the increase in the overall survival rates for other major types of cancer in the nation. *House Bill 1184/Senate Bill 791 (both passed)* require the Secretary of DHMH to establish the Oral Health Program to prevent and detect oral cancer in Maryland through the training of health care providers in proper screening and referral and through the promotion of smoking cessation. The bills also establish a pilot program to screen, refer, and treat high-risk underserved adults. The pilot program terminates September 30, 2003.

Medical Records

Senate Bill 371 (passed), the result of an ad hoc interim subcommittee, prohibits the disclosure by sale, rental or barter of any medical record. Patients or interested parties must be notified of the transfer of health records. The bill also requires payors to accept claims only from clearinghouses accredited by the Electronic Healthcare Network Accreditation Commission or certified by the State Health Care Commission. The bill authorizes the use of "personal notes" that are intended to grant patients and mental health providers greater privacy, while protecting the third party payor's right to analyze diagnoses and treatment plans for payment authentication. The bill also creates a State Advisory Council on Medical Privacy and Confidentiality. The council is comprised of 29 voting members from the legislature, State agencies, the legal and health care professions, and the information technology industry.

Another confidentiality measure, *House Bill 1115 (passed)* authorizes pharmacies to maintain a record of prescriptions requested by patients. However, a record log that is available to other pharmacy customers may not list the social security numbers, the types of illnesses or conditions being treated, or the types of drugs dispensed by a pharmacy.

Spinal Cord Injuries

House Bill 300 (passed) establishes an 11-member State Board of Spinal Cord Injury Research and a Spinal Cord Injury Research Trust Fund. The trust fund will be a continuous, nonlapsing fund set up to receive \$1,000,000 annually from the premium tax imposed on health insurers beginning January 15, 2002. Grants may be awarded to entities conducting spinal cord injury research focused on basic, preclinical, and clinical research for developing new therapies to restore neurological function in individuals with spinal cord injuries. The bill requires the board to submit yearly reports, develop criteria for awarding grants for spinal cord injury research, make recommendations for grants, and administer the fund.

Health Occupations

Health Care Providers

Health Care Credentialing Study

Credentialing organizations have a profound impact upon the ability of health care professionals to practice by determining at which facilities individual practitioners may work. In the past few legislative sessions, there has been an increase in the number of bills introduced relating to credentialing. During the 2000 session, five credentialing bills were introduced. Four bills required hospitals to implement credentialing processes for certain health care professionals, including nurse anesthetists, nurse midwives, and social workers, while the fifth bill related to discrimination in credentialing decisions. To address these sensitive issues in an unbiased manner, aspects of the five bills were included in *Senate Bill 328 (passed)*. The bill directs the Schaefer Center for Public Policy at the University of Baltimore to conduct a Health Care Credentialing Study. This study will include a review of federal and State law regarding hospital policies, procedures, and requirements related to credentialing to ensure that there is adequate opportunity for redress of complaints by health care professionals about exclusion by hospitals and credentialing organizations. The Schaefer Center must submit a report on its findings and recommendations within 60 days of completing the study.

Bloodborne Pathogen Standard

Chapter 408 of 1999 required the Department of Health and Mental Hygiene (DHMH) to convene a study group to review Maryland's bloodborne pathogen standard governing occupational exposure. In its December 1999 report, the study group found that the current bloodborne pathogen standard has not been effective in protecting health care workers from sharps injuries; i.e., injuries resulting from objects (e.g., needles) which can penetrate the skin or other part of the body and expose the workers to harm. Legislation was introduced during the 2000 session that required revision of the State's bloodborne pathogen standard. During conference committee deliberations, the General Assembly decided to adopt the more stringent federal bloodborne pathogen standard rather than revise Maryland's existing standard.

Senate Bill 553/House Bill 360 (both passed) require the Commissioner of Labor, in consultation with the Secretary of DHMH, to adopt regulations to implement the bloodborne pathogen standard established by the federal Occupational Safety and Health Administration (OSHA) as of November 5, 1999. The OSHA standard requires employers to adopt exposure control plans and to use engineering controls and work practices that include safer medical devices, work practices, administrative controls, and personal protective equipment.

Physician Self-Referrals

Under current law, physicians are prohibited from referring patients to a health care facility in which the physician has a financial interest. This prohibition against "physician self-referral" is designed to avoid conflict of interest regarding medical decisions and to discourage overutilization of services. Federal law includes specific exceptions to this prohibition to accommodate legal business arrangements. These exceptions were not included in State law, because Maryland's "physician self-referral" law predates federal action on this issue.

Legislation was introduced during the 2000 session to conform Maryland law to the prevailing federal standards. *Senate Bill 211/House Bill 214 (both passed)* incorporate three specific federal exceptions into Maryland law: (1) the rental of office equipment at fair market value; (2) isolated transactions such as the sale of a physician practice; and (3) referral to a hospital that the practitioner has a financial interest in, if the practitioner can practice there and if the practitioner's financial interest is in the whole hospital and not a subdivision of the hospital. By conforming Maryland law with federal standards, *Senate Bill 211/House Bill 214* reduce uncertainty for physicians in creating new business arrangements and provide new options and flexibility in the reorganization of hospitals.

Dentists and Dental Hygienists

In response to growing evidence of a shortage of dental providers, particularly in rural areas of the State where dental clinics are being forced to close because of insufficient staff, *Senate Bill 691/House Bill 1107 (both passed)* establish two retired volunteer licenses. These new volunteer licenses will allow dentists and dental hygienists to volunteer their needed services without having to pay to keep their general license current. There is no annual fee for the volunteer licenses. To qualify for a retired volunteer license, a dentist or dental hygienist must have held a general license to practice dentistry or dental hygiene within the last two years, complete the continuing education requirements

established for a general license, provide dental services in a government, non-profit, or approved facility serving the poor, the elderly, or the disabled, and agree not to practice dentistry for profit. Retired volunteer dentists and dental hygienists must also maintain malpractice insurance.

Nursing

Statewide Commission on the Crisis in Nursing

Maryland faces a growing nursing shortage due to the expansion of employment opportunities in all settings, decreased enrollment in nursing programs, the aging of the nursing workforce, the aging of the baby boomer generation, the rapid expansion of demand for new roles in nursing, and the rising acuity level of patients. After two years of stagnated growth in the nursing population, the number of nurses in Maryland with active licenses decreased by 2,234 in 1999.

In order to bring together interested and affected parties to address the shortage and develop collaborative remedies, **Senate Bill 311/House Bill 363 (both passed)** create the Statewide Commission on the Crisis in Nursing. The commission will be composed of representatives from State government, nursing schools, hospitals, nursing homes, managed care organizations, physicians, unions, advocacy organizations, and practicing nurses from several nursing specialty areas. The commission will determine the current extent and long-term implications of the growing nursing personnel shortage, develop recommendations on facilitating and implementing strategies to reverse the nursing shortage, convene a Crisis in Nursing Summit, and serve as an advisor to public and private entities for implementing the commission's recommendations.

Probationary Nursing Licenses

Under current law, the State Board of Nursing may deny a license to any applicant, but cannot grant a probationary license to an applicant or to the holder of a current nursing license. **House Bill 1047 (passed)** gives the State Board of Nursing the option of issuing a probationary license while making a final decision about the licensure of an applicant. Probationary licenses are currently granted to certain physicians by the Board of Physician Quality Assurance.

Nursing Assistants in the Rehabilitation Program

House Bill 1051 (passed) extends participation in the State Board of Nursing's Rehabilitation Program to certified nursing assistants. Established in 1989, the program assists nurses with substance abuse or serious mental health problems and ensures that participating nurses stay drug and alcohol free and practice their profession safely. **House Bill 1051** will provide certified nursing assistants with the same alternative to formal discipline by the Board of Nursing that is currently available to nurses. As the number of certified nursing assistants in the Maryland workforce increases, the ability to refer them to the program will be a valuable option for the board.

Practice Acts

Several bills were introduced during the 2000 session to update or expand the practice acts of specific health care professionals, including physical therapists, occupational therapists, and social workers.

Physical Therapy

House Bill 355 (passed) makes several revisions to the Physical Therapy Practice Act with implications for practitioners and the Board of Physical Therapy Examiners. The bill requires physical therapists and physical therapist assistants whose licenses have been suspended or revoked to return their licenses to the Board.

House Bill 355 also grants the Board of Physical Therapy Examiners several new powers currently held by other health occupations boards. These expanded powers include:

- (1) the authority to disclose information to other health occupations regulatory boards if the information is based on final decisions made by the board;
- (2) the ability to delegate authority to conduct an evidentiary disciplinary hearing to a committee consisting of three or more board members; and
- (3) the authority to waive the preceptorship requirement

for applicants that are currently licensed in another state.

Occupational Therapy

Under current law, the definition of occupational therapy is very general and the scope of practice is focused on occupational therapists who practice in hospital settings. The advent of managed care and the growing trend toward treatment in home health care settings require more specific guidance in occupational therapy practice than is currently provided. *Senate Bill 375/House Bill 785 (both passed)* update the statutory framework for the practice of occupational therapy and the operations of the State Board of Occupational Therapy. The bills clarify the licensing requirements for occupational therapists, define the scope of practice of an occupational therapy aide, and clarify and revise the board's disciplinary authority. The revised Occupational Therapy Practice Act more accurately reflects current practice and is based on the national legislative model of the American Occupational Therapy Association.

Social Work

Senate Bill 693/House Bill 886 (passed) revise the Maryland Social Workers Act by clarifying the definition and scope of practice of social workers holding each type of license, increase the membership of the State Board of Social Work Examiners due to increased workload, and establish additional grounds for disciplining a licensee for certain conduct. *Senate Bill 693/House Bill 886* represent the recommendations of a task force, commissioned by the Board of Social Work Examiners in 1998, to improve the social work statute by addressing long overdue clarification of the scope of each level of licensure. The bills do not broaden the scope of practice in any way.

Health Occupations Boards

Board of Physician Quality Assurance

House Bill 1102 (passed) repeals the requirement that the Board of Physician Quality Assurance must receive a written and signed complaint before investigating an alleged violation of law relating to licensure and regulation of physicians. The bill provides the board with more regulatory authority over physicians who use the Internet in their practice of medicine and allows the board to investigate anonymous complaints from health care workers who may be reluctant to submit written complaints due to concerns over job safety.

House Bill 558 (passed) requires an applicant for a medical license to submit to the board evidence of successful completion of one year of postgraduate medical training in an accredited program. In addition, the bill decreases the number of years, from three to two, of postgraduate medical training a graduate of a foreign medical school must complete. The bill also repeals an exception to postgraduate training requirements for graduates of foreign medical schools who may, under certain circumstances, complete only one year of postgraduate training.

The board has had difficulty in verifying the credentials and educational standards of many of the foreign medical schools included on the list of schools approved prior to July 1, 1992. Eliminating the exceptions based on this list and requiring two years of postgraduate training for all foreign medical graduates will increase quality of control and efficiency by reducing the time spent explaining the current complex requirements.

House Bill 161 (passed) repeals the requirement that the State Board of Physician Quality Assurance administer annual licensure examinations. Until 1999, the board administered "paper and pencil" versions of the national physician licensure examination, the United States Medical Licensing Examination. The last State administered "paper and pencil" exam was given in May 1999. The exam is now a computer-based test administered by the National Federation of State Medical Boards.

State Board of Morticians

Senate Bill 251/House Bill 259 (both passed) prohibit the State Board of Morticians from having more than one member who is employed by or affiliated with the same corporation, professional association, or other entity that owns one or more funeral homes. The bills allows the Governor to remove an appointed member who causes the board to be in violation of this provision. *Senate Bill 251/House Bill 259* ensure that no single corporation, association, or other

entity can unfairly control the board through disproportionate membership.

State Board of Dental Examiners

In 1999, the General Assembly passed legislation that clarified that the State Board of Dental Examiners was authorized to waive educational requirements only for applicants for limited or teacher's dental licenses. Before enactment of this legislation, the board could waive educational requirements for general dental license applicants as long as they completed two years of formal clinical training. This change was enacted without a grandfather provision, thereby preventing students from foreign jurisdictions who were already enrolled in a two-year dental residency program at the University of Maryland Dental School from qualifying for a waiver. *Senate Bill 147 (passed)* exempts these individuals, who will complete their dental residencies at the University of Maryland this summer, and allows them to take the State licensure examination for general dentistry on or before December 31, 2000.

State Board of Examiners of Professional Counselors

House Bill 314 (passed) renames the State Board of Examiners of Professional Counselors to be the State Board of Examiners of Professional Counselors and Therapists. The bill also renames the board's fund to be the State Board of Examiners of Professional Counselors and Therapists Fund. Changing the name of the board is intended to assist licensed marriage and family therapists in educating the general public and insurance carriers about their role as mental health providers and allow them greater access to provider panels.

Sunset Extensions

Three bills were introduced during the 2000 session to extend the sunset date of certain health occupations boards. The bills were introduced in response to the recommendations and findings of the sunset review and evaluation process conducted by the Department of Legislative Services and will ensure the continuation of the boards' mandated responsibilities of protecting the citizens of Maryland through their credentialing, examination, licensing, and disciplinary processes.

Senate Bill 574/House Bill 573 (passed) extend until July 1, 2012, the termination date for the State Board of Podiatric Medical Examiners.

Senate Bill 573/House Bill 575 (passed) extend until July 1, 2012, the termination date for the State Board of Chiropractic Examiners.

Senate Bill 572/House Bill 576 (passed) extend until July 1, 2012, the termination date for the State Board of Physical Therapy Examiners.

Health Care Facilities and Regulation

Long-Term Care

Nursing Home Reform

The General Assembly passed several bills this year to implement the recommendations of the Task Force on Quality of Care in Nursing Facilities, which was created by legislation enacted in 1999 (Chapters 382 and 383, Acts of 1999). The task force was charged with examining current quality of care standards for nursing facilities, staffing patterns and standards for nursing facilities, and the status of the labor pool available to fill nursing jobs at those facilities. The task force was also charged with making recommendations to the General Assembly regarding changes to current standards, policies, and procedures as necessary to ensure quality of care in nursing facilities. The findings and recommendations of the task force are set forth in the Report of the Task Force on Quality of Care in Maryland Nursing Facilities, which was issued in December 1999.

Sanctions and Penalties: Senate Bill 689/House Bill 634 (both passed) are emergency bills that increase the civil money penalties that the Secretary of the Department of Health and Mental Hygiene (DHMH) may impose on a

nursing home when a deficiency or an ongoing pattern of deficiencies exists at the nursing home. Under current law, if a serious or life-threatening deficiency exists, DHMH may impose civil money penalties that do not exceed a total of \$5,000 per day or \$50,000 in total. **Senate Bill 689/House Bill 634** increase these civil penalties. For deficiencies with a potential for more than minimal harm, the penalties may not exceed \$10,000 per instance or \$1,000 per day. Civil penalties for deficiencies where there is actual harm to a resident may not exceed \$10,000 per instance or \$5,000 per day. Civil penalties where there is a serious and immediate threat of harm may not exceed \$10,000 per instance or \$10,000 per day for an ongoing pattern of deficiencies. The civil penalties are calculated and imposed until DHMH verifies corrective action by the nursing home and sustained compliance on the part of the nursing home.

The bills define the term "deficiency" to mean a condition existing in a nursing home or an action or inaction by the nursing home staff that results in the potential for

more than minimal harm, actual harm, or a serious or immediate threat of harm to one or more residents. The term "ongoing pattern" is defined to mean the occurrence on two consecutive site visits of a deficiency indicating a potential for more than minimal harm or greater. The site visits can be the result of an annual survey, follow-up visits, unscheduled visits, or complaint investigations. DHMH is given the explicit authority, if a deficiency exists in a nursing home, to impose sanctions that may include direction of a plan of correction, the imposition of adequate staffing levels, the appointment of an independent monitor, or the imposition of civil money penalties.

Senate Bill 689/House Bill 634 authorize the department to appoint an independent monitor as an intermediate sanction that may be in addition to or in lieu of any of the other authorized sanctions. The monitor's duties may include periodic inspections of the nursing home to assess the facility's degree of compliance with State and federal regulations and the reporting of the monitor's findings to DHMH and the nursing home. The nursing home is responsible for the costs associated with the appointment of a monitor.

Senate Bill 689/House Bill 634 specify that if a nursing home appeals a civil money penalty, the funds are to be deposited in an interest-bearing escrow account at the nursing home's expense. If the penalty is upheld, the monies must be released to DHMH within 15 days from the date of the decision. If the penalty is reversed, the escrow funds are to be released to the nursing home within 15 days from the date of the decision. Monies derived from the penalties are to be retained by DHMH in a Health Care Quality Account established under the bills. The monies in the account must be used for training, grant awards, demonstration projects, or programs designed to improve quality of care for nursing home patients.

Quality of Care and Inspections: Federal law requires the Office of Health Care Quality (OHCQ) in DHMH to survey each Medicare and Medicaid certified nursing home at least every 9 to 15 months and requires the State to have an overall 12-month average. All surveys are unannounced. Current State law requires OHCQ to conduct at least two unannounced surveys each year of each nursing home. In order to ensure that OHCQ has sufficient resources to conduct all required surveys, the fiscal 2001 budget includes funds for an additional staff of 27.

Senate Bill 688/House Bill 749 (both passed) continue the requirement that OHCQ make a site visit and conduct a full survey of each licensed nursing home at least twice each calendar year. However, the bills allow OHCQ to waive this requirement for any nursing home that, in the two most recent surveys, has had no deficiencies with a potential for minimal harm or greater. This waiver will allow OHCQ to focus its resources on those facilities that are out of compliance.

Staffing: Senate Bill 794/House Bill 784 (both passed) state that it is the intent of the General Assembly that the Governor include \$10 million in the State budgets for fiscal 2002 and 2003 to increase payments in the Nursing Service Cost Center of the State Medicaid nursing home reimbursement formula. The increase is to be used by nursing homes to: (1) increase hours of direct care to residents; (2) increase nursing staff; and (3) increase wages, fringe benefits, and other forms of compensation for personnel providing direct care. The additional funds may not be used by a nursing home to provide an increase in the facility's profit. Each nursing home's expenditures will be subject to audit to ensure that the money is used as required by **Senate Bill 794/House Bill 784**.

The bills also direct DHMH to reconvene the Medicaid Nursing Home Reimbursement Study Group created in 1998 to review nursing home reimbursement methodology. The bills require the study group to review the existing

reimbursement formula and to recommend changes as necessary to ensure that the intent of *Senate Bill 794/House Bill 784* is achieved. The study group is required to report its findings to the Senate Finance Committee and the House Environmental Matters Committee by December 1, 2000.

Quality Assurance Programs: Senate Bill 690/House Bill 747 (both passed) require each nursing home, by January 1, 2001, to develop and implement a quality assurance program and to designate a qualified individual to coordinate and manage the program. In addition, each nursing home must have a quality assurance committee that consists of at least the nursing home administrator, the director of nursing, the medical director, a social worker, a licensed dietitian, and a geriatric nursing assistant. The quality assurance committee must meet at least monthly, maintain records of all activities, keep records of committee meetings, and report monthly to the nursing home's ombudsman, residents' council, and family council.

Senate Bill 690/House Bill 747 require each nursing home to establish a written quality assurance plan that: (1) includes procedures for concurrent review of all residents; (2) includes methods for identifying and correcting problems; (3) is readily available to all residents and their families, guardians, or surrogate decision makers; and (4) provides criteria for monitoring nursing care. The quality assurance committee must review and approve the quality assurance plan each year.

In addition, *Senate Bill 690/House Bill 747* require each nursing home to designate a physician to serve as medical director and be responsible for monitoring physician services at the nursing home. The medical director is required to report monthly to the quality assurance committee. After consulting with representatives of the nursing home industry and the State Medical and Chirurgical Faculty, the Secretary of DHMH is required to establish qualifications for the medical directors of nursing homes, define the duties of the medical director, and adopt regulations relating to physician accountability for attending physicians who treat residents of nursing homes.

Senate Bill 690/House Bill 747 also require each nursing home to establish: (1) a procedure to provide for the smooth and orderly transfer of residents in the event of the closure of the facility; (2) procedures providing a 30-day notice to residents and their families of the closure of the nursing home and a 15-day notice to residents and their families of the termination of public funding for the nursing home; and (3) a procedure providing immediate notification to the family or guardian of a resident if: (i) an accident involving the resident results in injury and has the potential for requiring physical intervention; (ii) there is a significant change in the resident's physical, mental, or psychosocial status; or (iii) there is a need to significantly alter a resident's treatment.

Finally, the bills authorize DHMH to review the financial and performance records of an applicant for a nursing home license or a management firm under contract with an applicant for a license to determine the ability of the applicant or management firm to comply with laws and regulations governing nursing homes.

Ombudsman Program: Senate Bill 764/House Bill 865 (both passed) require the Secretary of Aging to submit a budget for minimum staffing ratios in the Maryland Long-Term Care Ombudsman Program at the higher of: (1) one full-time ombudsman per 1,000 long-term care beds; (2) 20 hours of ombudsman time per week per area agency; or (3) 10 hours of ombudsman time per week per nursing home. The ombudsman program is currently administered statewide by the Department of Aging but is administered at the county level by 19 local area agencies on aging. The local ombudsman programs are staffed by the equivalent of 18 full-time ombudsmen, as well as numerous volunteers. The ombudsmen visit local nursing homes on a regular basis to familiarize themselves with the home's operations and residents and to address residents' questions and concerns. Under current law, there is no minimum staffing ratio for the program.

Quality of Care Oversight: Senate Bill 698/House Bill 748 (both passed) create a 20-member Oversight Committee on Quality of Care in Nursing Homes to continue the work of the Task Force on Quality of Care in Nursing Facilities, which was established in 1999 (Chapters 382 and 383, Acts of 1999). The oversight committee is charged with: (1) monitoring and evaluating the implementation of the task force recommendations; and (2) evaluating the progress of State nursing homes in improving quality of care. The oversight committee is required to report annually, by December 1 of each year, to the General Assembly. The oversight committee is scheduled to terminate on December 31, 2005.

Continuing Care Retirement Communities

Under current law, continuing care retirement communities (CCRCs) are exempt from having to obtain the certificate of need (CON) required of hospitals and nursing homes. However, the exemption imposes its own set of restrictions: (1) the CCRC may not admit new residents directly to the nursing facility on the CCRC campus, but may only use the nursing facility for independent living residents or assisted living residents of the CCRC; and (2) the number of nursing beds in the CCRC's nursing facility may not exceed 20 percent of the independent living units on the CCRC campus. These restrictions have posed a number of problems for CCRCs. For a recently opened facility, the restriction on direct admission means that the beds in the nursing facility remain mostly unused until independent living residents or assisted living residents need nursing care. For an older facility, the restriction on the number of beds means that aging residents may not have a nursing bed waiting for them when they do need nursing care.

Two bills enacted in the 2000 session are intended to address these difficulties. *Senate Bill 403/House Bill 864 (both passed)* increase from 20 to 24 percent the restriction on the ratio of nursing beds to independent living units for CCRCs with fewer than 300 independent living units. Facilities with 300 units or more continue to be subject to the 20 percent restriction. *Senate Bill 146 (passed)* allows a CCRC to directly admit a new resident into the CCRC's nursing facility if the resident pays entrance fees, before entering, that are at least equal to the lowest entrance fee charged for an independent living unit or an assisted living unit. The new resident must, at the time of admission, have the potential for an eventual transfer to an independent living unit or assisted living unit, as determined by the resident's personal physician who is not an owner or employee of the CCRC. The number of residents directly admitted to the nursing facility may not exceed 20 percent of the total number of nursing beds in the facility, and a resident may not be admitted directly if the admission would cause the occupancy of the nursing beds in the CCRC to exceed 95 percent of capacity. *Senate Bill 146* terminates on June 30, 2002.

Assisted Living

House Bill 1226 (passed) creates the Assisted Living Facilities Grant Program and authorizes the Board of Public Works, on recommendation of the Secretary of DHMH, to make grants to counties, municipal corporations, and nonprofit organizations for: (1) the conversion of public buildings or parts of buildings to assisted living facilities; (2) the acquisition of existing buildings or parts of buildings for use as assisted living facilities; (3) the renovation of assisted living facilities; (4) the purchase of capital equipment for assisted living facilities; or (5) the planning, design, and construction of assisted living facilities. The program is modeled after two existing grant programs that relate to adult day care facilities and community mental health facilities.

Hospitals

Maryland Hospital Bond Program

In 1985, the General Assembly enacted a bond program for closed or delicensed hospitals. Under the Maryland Hospital Bond Program, following the closure of a hospital, the Health Services Cost Review Commission (HSCRC) may assess a fee on all remaining hospitals to spread the cost of repaying the closed hospital's remaining bond obligations. Hospital rates are increased to cover the bond debt. In 1991, this program was changed to make it inapplicable to the repayment of bonds insured by a municipal bond insurance policy.

Legislation was introduced this year *Senate Bill 423/House Bill 706 (both passed)* to make the Maryland Hospital Bond Program applicable again to bonds that are insured by a municipal bond insurance policy. As passed by the General Assembly, however, this legislation simply requires the Maryland Health and Higher Education Facilities Authority and HSCRC, in consultation with bond rating agencies, bond insurance companies, the Maryland Hospital Association, and other interested parties, to study changes to the Maryland Hospital Bond Program that will ensure access to affordable capital for Maryland hospitals while providing for the orderly elimination of excess hospital capacity in Maryland. The bills require the Authority and HSCRC to report any findings and recommendations to the General Assembly by December 31, 2000.

"Do Not Resuscitate" Orders

An emergency medical services "do not resuscitate order" (EMS/DNR order) is a physician's written order that, in the event of a cardiac or respiratory arrest of a particular patient, authorizes certified or licensed emergency medical services personnel to withhold or withdraw cardiopulmonary resuscitation (CPR). Protocols for the form and use of EMS/DNR orders are established by Maryland Institute for Emergency Medical Services System (MIEMSS) in conjunction with the State Board of Physician Quality Assurance (BPQA). Under current law, these protocols apply to certified or licensed emergency medical services (EMS) personnel.

House Bill 770 (passed) broadens current law relating to EMS/DNR orders by authorizing a health care provider other than a certified or licensed emergency medical services worker to provide, withhold, or withdraw treatment in accordance with an EMS/DNR order, if a health care provider sees either a EMS/DNR order or a valid, legible, and patient-identifying EMS/DNR order bracelet. The bill also requires the Attorney General, in consultation with MIEMSS, the Secretary of DHMH, BPQA, and other interested persons to study the adequacy of the current EMS/DNR form, ways to provide guidance for its use, and the need for educational programs. The Attorney General is required to report the findings of the study to the Senate Judicial Proceedings Committee and the House Environmental Matters Committee on or before December 31, 2001.

Prohibitions Against Self-Referral

Under current law, a health care practitioner may not refer a patient, or direct an employee of or person under contract with the provider to refer a patient, to a health care entity in which the provider owns a beneficial interest, in which the provider's immediate family owns a beneficial interest of 3 percent or more, or in which the provider or the provider's family has a compensation arrangement. **Senate Bill 111/House Bill 214 (both passed)** create an exception to this prohibition that allows a health care practitioner to refer a patient to a hospital in which the health care practitioner has a beneficial interest, if the health care practitioner is authorized to perform services at the hospital and the ownership or investment interest is in the hospital itself and not solely in a subdivision of the hospital.

Senate Bill 111/House Bill 214 also conform Maryland law to the prevailing federal standards governing self-referrals by physicians as they relate to the rental or lease of equipment and the sale of a health care practice. The bills exempt payments made for the rental or lease of equipment from the definition of "compensation arrangement," if the payments are at fair market value and in accordance with an arm's length transaction. The bills also exempt payments made for the sale of property or a health care practice from the definition of "compensation arrangement," if the payments are at fair market value, are made in accordance with an arm's length transaction, and the remuneration is provided in accordance with an agreement that would be commercially reasonable even if no referrals were made.

Health Care Credentialing

Under current law, each hospital is required to establish a credentialing process for the physicians, nurse anesthetists, nurse midwives, and social workers who are employed by or who have staff privileges at the hospital as a condition of licensure. The Secretary of DHMH is required to establish minimum standards for the credentialing process. This credentialing process conducted by hospitals has a profound impact on the ability of all health care professionals to practice their professions.

Senate Bill 328 (passed) requires the Schaefer Center for Public Policy at the University of Baltimore to study and review federal and State law and hospital policies, procedures, and requirements relating to hospital credentialing, in order to ensure that there is adequate opportunity for the redress of the complaints of physicians, nurse anesthetists, nurse midwives, and social workers relating to their exclusion by hospitals and credentialing organizations. The center is to submit a report on its findings and recommendations to the Governor and the Legislative Policy Committee of the General Assembly within 60 days of the completion of its study, but not later than November 30, 2000.

Integration of Child Welfare and Substance Abuse Treatment Services

Senate Bill 671/House Bill 7 (both passed) require the Secretaries of Human Resources and DHMH, in consultation with a broad range of child welfare professionals, to develop a statewide protocol for integrating child welfare and substance abuse treatment services on or before December 15, 2000. In a provision with specific application to hospitals, DHMH is required to explore the use of excess hospital beds in locating new substance abuse treatment

programs. Further discussion of this bill can be found earlier in this part under Public Health.

Patient and Provider Safety in Health Care Facilities

Immunization in Long-Term Care Facilities

With certain exceptions, *House Bill 846 (passed)* requires that each long-term care facility in the State immunize its residents and employees each year, before December 1, against the influenza virus and pneumococcal disease. New residents or employees accepted or hired after December 1 but before April 1 also must be immunized. The facility must document the immunization received by each resident in the resident's record, and the immunization received by each employee in the employee's personnel file. The resident or employee must give written consent. If a resident or employee refuses to be immunized, the facility must document the refusal and the reason for the refusal. A resident or employee is not required to receive an immunization if the vaccine is medically contraindicated for the resident or employee, the vaccine is against the resident's or employee's religious beliefs, or the resident or employee refuses consent after being fully informed.

Criminal Background Checks of Workers

Current law requires an employer, before hiring a worker to provide care in a nursing home, assisted living facility, group home, adult day care program, hospice program, home health setting, congregate housing, or residential service agency to conduct a background check on the worker, either by applying through the State Criminal Justice Information System (CJIS) for a State-only check or by contracting with a private agency to do a private background check. Under *Senate Bill 312 (passed)* if an employer in one of these settings requests that a private agency conduct a background check, the agency is required to conduct a background check in each state in which the employer knows or has reason to know the employee worked or resided in the 7 years preceding the application for employment.

The bill also requires that an agency conducting a background check: (1) be licensed by the State as a private detective agency; (2) maintain an errors and omissions insurance policy in an amount of not less than \$1 million; (3) offer customer assistance in the use of background checks for employment purposes; and (4) be capable of conducting a check within the State within two working days of a request and, outside the State, within five working days of a request. The agency must also comply with the federal Fair Credit Reporting Act requirement that the employee be issued a statement of findings when adverse information is obtained.

Bloodborne Pathogens

In November 1999, the federal Occupational Safety and Health Administration (OSHA) issued a directive updating the agency's 1992 bloodborne pathogen regulations to encourage the use of "needleless technology." Since 1992, a number of companies have developed so-called "needleless needle" systems for injecting solutions into the bloodstream or removing bodily fluids without placing the health care provider at risk of a needle stick. *Senate Bill 553/House Bill 360 (both passed)* require the State Commissioner of Labor and Industry, in consultation with the Secretary of Health and Mental Hygiene to adopt regulations to implement the November 1999 OSHA directive. In addition, the Commissioner is required to make recommendations for legislative changes to the House Environmental Matters Committee and the Senate Economic and Environmental Affairs Committee within 30 days of issuing the regulations. See Part H, Business and Economic Issues, Labor and Industry, for a further discussion of this legislation.

Elevator Handrails

House Bill 1103 (passed) allows an income tax subtraction modification under the individual and corporate income tax for 100 percent of the expenses incurred by a taxpayer to purchase and install handrails in existing elevators in health care facilities or any other building in which at least 50 percent of the space is used for medical purposes.

Patient Care Advisory Committees

Under current law, each hospital and long-term care facility must have a patient care advisory committee. Each committee must consist of at least (1) a physician not directly involved in the care of the patient in question, (2) a

registered nurse not directly involved in the care of the patient in question, (3) a social worker, and (4) the chief executive officer or a designee from each hospital and each long-term care facility represented on the committee.

Patient care advisory committees, at the request of a person who is responsible for making medical decisions for a patient, advise the person in cases involving life-threatening conditions. Currently, a patient care advisory committee, as a part of its deliberations, is required to consult in appropriate cases with all members of the patient's treatment team, the patient, and the patient's family.

Senate Bill 100/House Bill 108 (both passed) expand current law to require a patient care advisory committee, in cases involving the medical care and treatment of a child with a life-threatening condition, to consult with a medical professional who is familiar with pediatric end-of-life care if a medical professional with that expertise is not already on the committee.

Health Care Commissions

Senate Bill 189/House Bill 138 (both passed) repeal the authority of the Maryland Health Care Commission (MHCC) to develop a payment system for all health care practitioners in the State. Instead, the MHCC is required to promote the availability of information on charges by practitioners and reimbursements by insurance carriers and health maintenance organizations. In addition, the MHCC is required to publish, for the preceding 12-month period: (1) the total reimbursement for all health care services; (2) the total reimbursement for each health care specialty; (3) the total reimbursement for each current procedure terminology (CPT) code; and (4) the annual rate of change in reimbursement for health services by health care specialties and by CPT code. The MHCC is also authorized to publish any other information that the MHCC deems appropriate, including information on capitated health care services.

House Bill 432 (passed) provides that the fees assessed by the MHCC on hospitals, nursing homes, insurers, and health care practitioners, and the user fees assessed by the HSCRC on hospitals, must be used exclusively to cover the actual documented direct costs of the statutory and regulatory duties of the commissions. Under current law, the commissions may use these fees to cover the direct and indirect costs of their statutory and regulatory duties.

Health Maintenance Organizations

Subrogation

Subrogation is the substitution of one party in the place of another who has a lawful cause of action, for the purpose of receiving compensation from a third party tort-feasor. In a recent decision issued by the Maryland Court of Appeals, *Victor G. Riemer et al. v. Columbia Medical Plan, Inc.*, (No. 90, September Term, 1999), the court held that a health maintenance organization (HMO) is barred from pursuing a member for restitution, reimbursement, or subrogation when the member receives damages arising from third-party tort claim. In its decision, the court relied in part on a provision of law (*see* 19-701(f)(3) of the Health - General Article) that limits an HMO to one of three forms of compensation: (1) a copay; (2) a deductible; or (3) a predetermined periodic premium rate.

In addition, the court noted several provisions of State law that specifically confer a right of subrogation, including a statute that authorizes the State to be subrogated to a cause of action that a Medicaid recipient has against another person. The court ultimately determined that the lack of a similar provision applying to HMOs was proof that "the Legislature did not intend for HMOs to have general subrogation rights against members or subscribers."

Senate Bill 903 (passed) allows a contract between an HMO and a subscriber or a group of subscribers to contain a provision that allows the HMO to be subrogated to a cause of action that a subscriber has against another person to the extent that any actual payments made by the HMO result from the occurrence that gave rise to the cause of action. Similar authority is provided for a nonprofit HMO that exclusively contracts with a group of physicians for the provision of health care services to its enrollees, subject to an established fee schedule for the service provided.

The bill applies to subrogation recoveries recovered on or after January 1, 1976, including cases pending or filed after June 1, 2000, but not to: (1) a case for which a final judgment has been rendered and appeals exhausted; or (2) a

matter in which a final written liability insurance settlement has been reached and payment made. The provisions of the bill are expressly severable.

Responsibility for and Regulation of Downstream Risk

In 1995, the National Association of Insurance Commissioners (NAIC) studied arrangements where Integrated Delivery Systems, Physician Hospital Organizations, and Independent Practice Associations contract for a capitation or other risk-assuming payment arrangement, to arrange for or provide all or certain health care services to HMO, Managed Care Organization (MCO), or Medicare Provider Sponsored Organization members. The NAIC concluded that many of these groups were assuming insurance risk and should therefore be regulated as an insurer or a hybrid entity. The NAIC issued a model bulletin in 1995 to advise insurance commissioners of how these arrangements could best be regulated, and drafted a model law in 1998 to assist insurance commissioners with the creation of a regulatory framework for the licensure of all risk-bearing entities.

During the 1998 interim, the Governor along with the Chairman of the House Economic Matters Committee asked the Maryland Insurance Administration (MIA), in consultation with the Maryland Health Care Commission (MHCC) and the Health Services Cost Review Commission (HSCRC), to study the issue of downstream risk arrangements between licensed carriers and subcontracting provider entities such as managed behavioral health care organizations. The MIA delivered its final report to the General Assembly in January 2000.

The MIA report defines downstream risk arrangements as "the transfer by an entity such as an HMO, of the responsibility to pay for certain health care services to another entity, such as a group of health care providers." The actual payment transfer occurs when a fixed sum is paid to the downstream provider, who accepts the risk that the cost of the health care services that the downstream provider must provide may exceed the fixed sum received from the HMO. The transfer of this risk is an outgrowth of managed care, which permits the payment of a fixed sum per patient per month for health care services (capitation).

As highlighted by the NAIC attention to the matter, problems with downstream risk arrangements are not unique to Maryland. The issue, however, has received increased attention in the State because of the financial troubles of a downstream risk contractor on Maryland's Eastern Shore, Doctor's Health, Inc., a provider group, is currently in bankruptcy. According to the MIA, payments to certain providers were suspended because of the bankruptcy proceedings and the legal issues revealed in the proceedings.

When an HMO becomes insolvent, the MIA can take control of the company through receivership proceedings. Generally, in such a receivership, payment for health services is prioritized above the needs of other creditors. However, because the MIA has no jurisdiction over the downstream risk contractor directly, its ability to control the damage done by an insolvent downstream risk contractor is limited.

Senate Bill 497/House Bill 5 (both passed) enhance the ability of the MIA to regulate downstream risk contracts between HMOs and health care provider groups. The bills:

- require the Insurance Commissioner to consult with the Secretary of Health and Mental Hygiene prior to taking action against an MCO;
- establish a registration process for contracting providers with the MIA;
- require contracting providers to provide HMOs with monthly financial reports and annual audited financial statements;
- require the HMO to establish and maintain a segregated fund or other resources in the form and amount approved by the Insurance Commissioner;
- provide the Insurance Commissioner with discretion to consider various ownership and control relationships when determining the sufficiency of a segregated fund;

- require the contracting provider to submit to the HMO information demonstrating that the fund is sufficient to satisfy the contracting provider's obligations to external providers;
- clarify that the segregated fund is not an asset of the HMO;
- require the HMO to conduct quarterly reviews of the contracting provider's books and financial records and to file the results of this review with the Insurance Commissioner; and
- allow the Insurance Commissioner to impose fines on the contracting provider and the HMO for failure to comply with the terms of the administrative service provider contract or the plan filed with the MIA.

Reimbursement of Non-Contracting Providers

Senate Bill 405 (passed) requires an HMO to pay a claim for a covered service rendered to an enrollee by a health care provider that is not under written contract with the HMO at the greater of:

- 125 percent of the rate the HMO pays in the same geographic area, for the same covered service, to a similarly licensed provider under written contract with the HMO; or
- the rate as of January 1, 2000, that the HMO paid in the same geographic area, for the same covered service, to a similarly licensed provider not under written contract with the HMO.

On request, an HMO must disclose the reimbursement rate to a non-contracting provider. The bill allows a provider to enforce certain provisions on payment to non-contracting providers by filing a complaint with the MIA or by filing a civil action. Under the bill, reasonable attorney fees must be awarded if the provider's complaint is sustained.

Further, the bill requires the HSCRC, in consultation with interested parties, to develop a methodology for ensuring reasonable payment to health care providers not under written contract with an HMO. The HSCRC is required to report on its recommendations by January 1, 2002. The bill applies to health care services rendered on or after October 1, 2000. The provisions of the bill terminate at the end of June 30, 2002.

Health Insurance

According to the Maryland Health Care Commission (MHCC) as many as 16 percent of all Marylanders lack health insurance. Several legislative initiatives attempted to address the issue of uninsured and underinsured populations in Maryland.

Maryland Children's Health Program

Chapter 110 of 1998 established the Children and Families Health Care Program pursuant to the federal Children's Health Insurance Program (Title XXI of the federal Social Security Act). The State's program provides health insurance coverage for children with family incomes up to 200 percent of federal poverty guidelines (FPG) through enrollment in a Medicaid managed care program (HealthChoice). Implemented in July 1998, the Children and Families Health Care Program currently covers 63,000 children.

Chapter 381 of 1999 (Senate Bill 738) required the Department of Health and Mental Hygiene (DHMH) to study ways to expand eligibility for the program by using private market insurance (private option) coverage. DHMH formed a Technical Advisory Committee (TAC) to study the issue. The TAC recommended targeting the private option expansion to children with family incomes between 200 percent and 235 percent of FPG.

Senate Bill 863/House Bill 2 (both passed) repeal the premium requirement for enrollees whose family incomes are above 185 percent but at or less than 200 percent of FPG.

The bills also establish a private option plan that allows children with family incomes above 200 percent and at or below 300 percent of the FPG to receive subsidized health insurance either through an employer's health benefit plan

or through a HealthChoice managed care organization (MCO). To be eligible for employer-sponsored coverage: (1) a child's parent or guardian must be enrolled in an employer-sponsored

health benefit plan; (2) the employer must elect to participate in the private option plan; (3) the employer must contribute at least 50 percent of the annual premiums; (4) the employer-sponsored plan must include a benefit package that is equivalent to or better than the State's Comprehensive Standard Health Benefit Plan (CSHBP) currently offered to small businesses; and (5) the employer's plan may not impose cost-sharing requirements (other than the premium) on eligible individuals.

Approximately 31,000 uninsured children with incomes between 200 percent and 300 percent of the FPG will be eligible to enroll in the expanded program. However, only 19,600 children are expected to enroll in this plan because the family will be required to pay a monthly premium. A family with an income between 200 percent and 250 percent of the FPG must pay a premium equal to 2 percent of the annual income of a family of two at 200 percent of FPG (currently \$37 per month) regardless of the number of children enrolled. Families with income between 251 percent and 300 percent of FPG must pay a premium equal to 2 percent of the annual income of a family of two at 250 percent of FPG (approximately \$47 per month) regardless of the number of children enrolled. The State will pay the portion of the premium not paid by the employer and employee. It is estimated that approximately 30 percent, or 5,880 of those who enroll, will enroll through an employer-sponsored plan. The remainder (13,720) are expected to enroll in a HealthChoice MCO.

In addition, the bills expand Medicaid eligibility for pregnant women between 200 percent and 250 percent of FPG. The bills also direct DHMH to report to the Governor and the General Assembly on the implementation of the private option plan by December 1, 2003. Finally, one bill renames the Children and Families Health Care Program to be the Maryland Children's Health Program.

Short-Term Prescription Drug Subsidy Plan

Senate Bill 855 (passed) addresses the increasing need to provide adequate prescription drug coverage to Medicare enrollees, particularly to those residing in medically under-served counties. Medicare is the nation's largest health insurance program, covering approximately 39 million Americans. It provides health insurance to people aged 65 and over, those who have permanent kidney failure, and certain people with disabilities. Medicare does not, however, provide any type of prescription benefits. Instead, Medicare enrollees may purchase supplemental health insurance plans that include prescription drug benefits. Supplemental plans that include drug benefits are often cost-prohibitive for those with limited incomes.

At the end of 1999, the last insurance carrier offering a Medicare managed care plan pulled out of several rural Maryland counties leaving as many as 15,000 seniors with no access to the added benefits of a Medicare managed care plan, most significantly prescription drug coverage. Many of these seniors have since been forced to choose between basic living expenses such as food and electricity to cover the high costs of life-sustaining prescription medications. This program will provide a temporary measure to assist these seniors and will have a long-term beneficial effect on public health costs in Maryland.

Senate Bill 855 establishes a short-term prescription drug subsidy plan for certain Medicare enrollees who live in medically under-served counties. Enrollment is limited to 15,000 individuals annually. The bill specifies certain premiums, copayments, deductibles, and annual maximum benefit allowances. The subsidy plan will be funded by the health insurance carriers that receive a 4 percent differential in hospital rates for participating in the Substantial, Affordable, and Available Coverage (SAAC) program. The total contributions to the fund are \$5.4 million in each of fiscal 2001 and 2002. CareFirst BlueCross BlueShield of Maryland is charged with the administration of the prescription drug subsidy plan. The prescription drug subsidy plan will be abrogated the earlier of June 30, 2002, or when Medicare provides prescription drug benefits for its enrollees.

Expanded Coverage for the Uninsured and Underinsured

House Bill 3 (failed) would have provided access to health insurance coverage for individuals who would otherwise be

uninsured because of affordability issues, chronic health conditions, or both.

This bill would have established: (1) the Maryland Health Insurance Governing Board; (2) the Maryland Health Insurance Assistance Program (a low income subsidy program); and (3) the Maryland Health Insurance Plan (a high risk pool).

Currently, six states have established low income subsidy programs that provide health insurance to low income individuals who are uninsured and are not eligible for Medicaid. Under the proposal, individuals who are eligible for an employer-sponsored plan would have received a subsidy from the State to participate in the employer-sponsored plan. Under **House Bill 3**, adults who have incomes below 200 percent of FPG could obtain health insurance premium subsidies.

Twenty-eight states now have health insurance high risk pools, or similar state programs that guarantee access to health insurance for the medically uninsurable population. Under **House Bill 3**, an individual who would have been turned down for health insurance could obtain affordable health insurance coverage under the Maryland Health Insurance Plan.

Both proposals were to be funded by a fee on hospitals equal to 1 percent of annual gross revenue. Enrollment in either program was limited to the extent that total expenditures could not exceed revenues generated from one fee.

Nonprofit Health Entity Responsibility Act of 2000

There are eight states that have enacted mandatory community benefit laws for nonprofit health entities. Of these, three have established minimum expenditure guidelines for community benefits as a condition of state or local tax exempt status.

All but one hospital in the State of Maryland has nonprofit status. Currently, the only nonprofit health service entity in Maryland is CareFirst BlueCross BlueShield. CareFirst BlueCross BlueShield is the trade name for the 1998 combination of the former Maryland and National Capital Area BlueCross and BlueShield plans. Nationally, BlueCross plans were established during the Great Depression to combat the difficulty in finding health care. The plans were set up to serve a public service role and functioned as nonprofit organizations. The BlueShield plans were established out of employers' desire to provide medical care for their workers.

House Bill 4 (failed) attempted to establish a process to monitor the community benefit activities of nonprofit health benefit plans and hospitals in the State. The bill would have required nonprofit hospitals to submit an annual community benefit report to the Health Services Cost Review Commission (HSCRC) explaining the hospital's community benefits. Under the proposal, community benefits include:

- health services provided to vulnerable or under-served populations such as Medicaid, Medicare, or Maryland Children's Health Program (MCHIP) enrollees;
- financial or in-kind support of public health programs;
- donations of funds, property, or other resources that contribute to a community priority;
- health care cost containment activities; and
- health education, screening, and prevention services.

House Bill 4 would have required each nonprofit health service plan to file a premium tax exemption report with the Maryland Insurance Administration (MIA) that demonstrated that the nonprofit health service plan used funds equal to the value of the premium tax exemption in a manner that serves the public interest. Under the bill, if the Insurance Commissioner determined that a nonprofit health service plan had not met the public interest requirements, the nonprofit health service plan would be subject to the premium tax.

Small Group Market Reforms

Senate Bill 801/House Bill 649 (both passed) modify the method for determining employer group size for purposes of inclusion in the small group insurance market. The bills provide that a small employer, when determining its group size, must count an employee who is otherwise covered under a public or private health insurance plan or other health benefit arrangement. Under current law, an employer is prohibited from counting individuals who are otherwise covered when determining group size. However, the bills allow small employers that are currently enrolled in the small group market to maintain eligibility for small group coverage even after the new requirements take effect. The bills also alter the eligibility requirements for the self-employed by requiring self-employed individuals to work and reside in the State in order to be eligible for coverage in the small group market.

In addition, the bills require MHCC, in consultation with the MIA, health insurance carriers, small employers, and insurance agents and brokers, to report on the effect of employer group size on the health maintenance organization (HMO) and preferred provider option (PPO) delivery systems of each prominent carrier in the small group insurance market. MHCC must submit its report to the House Economic Matters Committee and the Senate Finance Committee by January 1, 2001. MHCC must, as part of its annual review of the CSHBP, examine the feasibility and desirability of developing a high deductible health benefit plan for small employers.

House Bill 297 (failed) would have changed the definition of a small employer for the purposes of eligibility in the small group insurance market by excluding self-employed individuals. In addition, the bill would have increased the maximum size of a small business in the small group insurance market from 50 employees to 100 employees. The bill would have imposed a \$4,000 annual cap on prescription drug benefits for each covered individual and would have increased the allowable community rate adjustment from 40 percent to 50 percent.

Mandated Benefits and Coverages

Mandated Health Insurance Services - Generally

Mandated benefits are benefits that, by State law, must be covered in a health insurance policy or contract, including mandated offerings. These mandates are required of a commercial insurance carrier, a nonprofit health service plan, an HMO, or any combination of these three. Mandated benefits fall into four categories: (1) health care services or treatments; (2) health care professionals that are entitled to reimbursement; (3) coverage eligibility requirements for dependents; and (4) conversion or continuation of benefits requirements.

Currently, Maryland has 34 mandated benefits or offerings for services and provider reimbursement. Due to different methods of aggregation and varying definitions of other requirements, it is difficult to count the number of mandates that require an insurer, nonprofit health service plan, or HMO to provide certain coverage to dependents or the conversion/continuation of benefits.

Mandated benefits have an impact on premiums, but only apply to certain segments of the health insurance market. Under the Maryland Health Insurance Reform Act of 1993, a comprehensive standard health benefit package, which is exempted from mandated benefits, has been adopted by regulation for the small group market. However, MHCC, which is charged with developing the Comprehensive Standard Health Benefit Plan for the small group market, considers existing mandated benefits when it performs its annual reassessment of the standard benefit plan. Federal law (ERISA) preempts any state regulation of fully self-insured plans, which are therefore exempt from mandated benefits. Because the federal programs of Medicaid, Medicare, Federal Employees Health Benefits Program (FEHBP), and Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) are not insurance policies, they are not subject to mandated benefits or regulation by the MIA.

Mandated Benefits Review Process

Legislation passed by the General Assembly in 1999 (Chapter 582) established a statutory affordability cap on mandated benefits of 2.2 percent of Maryland's average annual wage. According to MHCC's 1999 report, the full cost of existing mandates is now 1.9 percent of Maryland's average annual wage. If MHCC determines that the full cost of

mandated benefits is equivalent to or exceeds the 2.2 percent statutory affordability cap, it is required by law to perform a comprehensive evaluation of each existing mandate and to present this evaluation to the General Assembly for its consideration.

The following mandates passed the General Assembly during the 2000 session:

Coverage for Hair Protheses

Senate Bill 386/House Bill 22 (both passed) require HMOs, insurers, and nonprofit health service plans to provide coverage up to \$350 for a hair prosthesis for an individual whose hair loss results from chemotherapy or radiation treatment. To be eligible for coverage, the prosthesis must be prescribed by an oncologist.

Expansion of In Vitro Fertilization Mandate

Senate Bill 516/House Bill 350 (both passed) provide that HMOs, insurers, and nonprofit health service plans must provide policyholders with coverage for in vitro fertilization services for male factor infertility and reduce the waiting period provided under current law for coverage of infertility services from five to two years. Under the bills, HMOs must provide the benefits to the same extent as for other infertility services.

The bills also allow insurers to limit the infertility coverage required under this bill to three in vitro fertilization attempts per live birth, not to exceed a maximum lifetime benefit of \$100,000. The bills further require a carrier to exclude from a policy or contract with a religious organization that has bona fide beliefs and practices that conflict with the coverage requirement, at the organization's request.

A similar bill, *House Bill 1031 (failed)* would have required in vitro fertilization coverage for unmarried couples. *House Bill 1031* would also have required carriers to provide in vitro fertilization benefits in the small group insurance market.

Habilitative Services

House Bill 6 (passed) requires HMOs, insurers, and nonprofit health service plans to provide coverage for habilitative services for children with congenital and genetic birth defects. Habilitative services are defined in the bill as "services, including occupational therapy, physical therapy, and speech therapy, for the treatment of a child with congenital and genetic birth defects to enhance the child's ability to function." This bill also requires carriers to provide annual notice to their insureds and enrollees about this coverage.

The following mandated benefits failed in the 2000 session, but will be reviewed by the Maryland Health Care Commission in its evaluation, which is due to the General Assembly in December, 2000:

Coverage for Hearing Aids

House Bill 26 (failed) would have required insurance carriers, nonprofit health service plans, and HMOs to provide coverage for an insured or enrollee of a standard model hearing aid every three years.

Senate Bill 268/House Bill 66 (both failed) would have required insurers, nonprofit health service plans, and HMOs to provide coverage of hearing aids for a child who is covered through an insured or enrolled parent of the child.

A similar bill, *House Bill 393 (failed)* would have required insurers, nonprofit health service plans, and HMOs to provide coverage for hearing aids at least once every three years for a child who is covered through an insured or enrolled parent if the hearing aid is prescribed, fitted, and dispensed by a licensed audiologist.

Coverage for Colorectal Cancer Screening

Senate Bill 174 (failed) would have required insurers, nonprofit health service plans, and HMOs to provide coverage for colorectal cancer screening in accordance with the latest screening guidelines issued by the American Cancer

Society.

Coverage for Interpreter Expenses

House Bill 914 (failed) would have required insurers, nonprofit health service plans, and HMOs to reimburse a health care provider for the cost of services performed by a qualified interpreter for an insured or enrollee under certain circumstances.

The Americans With Disabilities Act requires a health care provider to furnish auxiliary aids and services, including interpreters, to ensure effective communication with patients who have disabilities.

Coverage for Morbid Obesity

Senate Bill 496 (failed) would have mandated coverage by insurers, nonprofit health service plans, and HMOs of expenses incurred by a patient classified as "morbidly obese" for established surgical treatment if: (1) all nonsurgical medical therapies, as determined by the physician, have failed; and (2) the body mass index (BMI) of the patient exceeds specified levels.

Coverage for Smoking Cessation

House Bill 1125 (failed) would have mandated that a carrier provide coverage for any medically appropriate treatment or assistance, including drugs, that the insured's or enrollee's treating physician or other appropriate licensed health care provider certifies is necessary for the insured's or enrollee's participation in a smoking cessation program or treatment plan.

Senate Bill 518 (failed) would have mandated prescription drug coverage for up to three "quit attempts" for each enrollee or insured. Insurers, nonprofit health service plans, HMOs, and MCOs would have been subject to the provisions of this bill.

Under the bill, a "quit attempt" means a smoking cessation program that consists of: (1) two office visits; (2) one follow-up telephone call; (3) a two-month supply of approved smoking cessation drugs as prescribed; and (4) two months of counseling or smoking cessation classes as prescribed. The bill does not require coverage for over-the-counter products.

Coverage for Thin Prep Pap Tests

House Bill 200 (failed) would have required insurance carriers, nonprofit health service plans, and HMOs to provide coverage for an annual Thin Prep Pap Test if the patient's gynecologist or internist requests this test.

Internal Appeals and Grievance Processes

Senate Bill 164/House Bill 405 (both passed) require a health insurance carrier to establish an internal complaint procedure for coverage decisions. Under current law, carriers are required to have an established internal appeals process for medical necessity determinations. In addition, the MIA administers an external appeals and grievance process for medical necessity determinations. These bills require a carrier to expand its current internal appeals process to include coverage determinations. In addition, the bills alter current notice requirements with which a carrier must comply when rendering an adverse decision or a grievance decision. The bills enhance the current notice requirements consolidating the information contained in the initial notice to an enrollee.

Provider Panels

Senate Bill 295/House Bill 559 (passed) prohibit, with one exception, a health insurer, nonprofit health service plan, or HMO that contracts with health care providers through one or more provider panels from requiring a provider, as a condition of participation or continuation on a provider panel, to serve on the provider panel of another health benefit plan of the carrier. The definition of provider panel is expanded to include arrangements in which a provider

participates solely by contracting with the carrier to provide health care services at a discounted fee-for-service rate. The exception is that a carrier may require a provider to serve on its Medicaid MCO panel. Carriers that have multiple provider panels, in certain cases, condition the participation of a provider on the provider's contractual consent, to serve on one or more of the carrier's other provider panels (commonly known as an "all-products" clause).

The bills also require a carrier to give a provider 90 days' notice before terminating participation on a panel. Under current law, a carrier must give a provider 90 days' notice before terminating the provider from its panel, if the termination is for reasons unrelated to fraud, patient abuse, or loss of licensure status.

Senate Bill 455/House Bill 1068 (passed) require a health insurance carrier to make available a list of the carrier's providers to a prospective enrollee at the time of enrollment and to an enrollee at the time of renewal. The bills change current law to require a carrier to make available a provider list to a prospective enrollee at the time of enrollment (as opposed to the current requirement to provide the list before enrollment) and to an enrollee at the time of renewal (as opposed to the current requirement to provide the list once a year). A carrier must satisfy these requirements by: (1) notifying the enrollee and prospective enrollee about how to obtain the information on the Internet and by ordering a printed copy; and (2) making a printed copy of the provider list available before a prospective employee's enrollment and issuing a printed copy to the enrollee upon the enrollee's initial enrollment. A provider list made available on the Internet must be updated every 15 days. A provider list in printed form must be updated annually.

Part K

Natural Resources and Agriculture

Natural Resources

Recreation and Parks

South Mountain Battlefield

On September 14, 1862, the Union and Confederate armies fought the first major Civil War battle in Maryland over a seven-mile stretch of the South Mountain Range, which borders Washington and Frederick Counties. The South Mountain battle was crucial in shaping the outcome of the bloodiest day of the Civil War, the Battle of Antietam, which was fought three days later. Chapter 12 of 1999 established a Task Force on the South Mountain Battlefield Historic Tourism Initiative to assist the Department of Natural Resources (DNR) in studying the establishment of a State Park that encompasses the battlefield known as South Mountain. The task force recommended the establishment, development, and operation of a State battlefield.

Accordingly, **House Bill 1183 (passed)** establishes the first Civil War State battlefield at South Mountain Battlefield. The DNR is charged with managing the development and operation of the battlefield. In addition, DNR must adopt regulations and manage the battlefield in a manner consistent with the historic significance of the battlefield and in a manner consistent with their policy for regulating and managing a State Park. The battlefield park will be modeled after two nearby historic sites, Monococy and Antietam. Historic sites are a growing segment of Maryland's tourism, and the National Park Service estimates that as many as 700,000 people will tour portions of South Mountain Battlefield annually.

The bill directs the Governor to appropriate the necessary funds in the State budget each year to DNR for the construction, operation, maintenance, and administration of the battlefield, subject to the availability of funds. **House Bill 1183** authorizes DNR to set and charge fees that are based on the approximate cost of operating the battlefield. Any excess revenue must be remitted to the general fund.

Public Recreation on Private Land and Land Owned by Local Governments

Private landowners who allow others to use their land for recreational purposes incur no liability for personal injury or property damage arising out of the recreational use except when the landowner willfully or maliciously fails to warn of danger or charges for the use of the land. Accordingly, **House Bill 296 (passed)** extends to local governments the immunities currently enjoyed by private landowners relating to use of their land for recreational purposes. As with the limitation on liability afforded private landowners, the bill provides an exception for willfully or maliciously failing to warn of danger or for charging for the use of the land.

Deep Creek Lake

The Department of Natural Resources has been managing Deep Creek Lake for the Pennsylvania Electric Company since 1980. The State is currently completing purchase of the lake and surrounding properties. Due to the State's pending ownership,

Senate Bill 788/House Bill 733 (both passed) establish a Deep Creek Lake Policy and Review Board to review and advise DNR on the Deep Creek Lake Recreation and Management fund and the Deep Creek Lake Management Program.

In addition, the bills repeal the Deep Creek Lake Advisory and Review Committee and provide for the development of a recreation and land use plan for Deep Creek Lake.

Rivers, Streams, and Lakes

Submerged Aquatic Vegetation

Submerged Aquatic Vegetation (SAV) beds or sea grasses are rooted plants that live under water. SAV beds are ecologically significant habitats that are essential for maintaining healthy fish and shellfish populations in Maryland. Since 1989, the restoration of SAV has been a continuing goal of the Chesapeake Bay Program. Legislation enacted in 1998 prohibited the use of hydraulic clam dredges in SAV beds because it was evident that those dredges were causing significant damage to SAV beds.

House Bill 1254 (passed) takes another step toward protecting SAVs by requiring DNR to establish a program to study the impact of recreational watercraft activities on SAV beds in the Chesapeake Bay and coastal bays. The study must evaluate the direct impact of recreational watercraft activities on the ecological value of SAV beds and evaluate the effectiveness of DNR's activities designed to minimize the impact on SAV habitats. DNR must report the results of the study to the Governor and General Assembly by January 1, 2003. **House Bill 1254** terminates on September 30, 2003.

Upland Wildlife Habitat Fund

Beginning in 1989, the DNR began entering into contracts with farmers to set aside certain land for the planting of food for wildlife. Current law provides that a certain amount of each resident and nonresident hunting license fee shall be used for this purpose. **Senate Bill 756/House Bill 478 (both passed)** seek to create new funding opportunities through voluntary donations to implement various programs designed to improve and restore upland wildlife habitat. The bills create an Upland Wildlife Habitat Fund within DNR for the purpose of promoting efforts to provide upland wildlife with a habitat. In addition, the bills authorize DNR to use \$10.50 from each nonresident hunting license to plant food or cover for upland game birds and mammals and wetland game birds.

Rural Legacy Program

In an effort to control sprawl development and enhance protection of Maryland's natural resources, agricultural community, and the environment, Chapters 757 and 758 of 1997 provided funding to local governments and conservation organizations for the purchase of property and conservation easements within designated "rural legacy" areas. The Rural Legacy Board was required to adopt regulations for implementing the program, establish a method for appraisal of fair market value of real property interests, and review applications. The program is funded through the State transfer tax and general obligation bonds.

House Bill 888 (passed) expands the authority of the Rural Legacy Board to allow funds to be used to purchase, hold, and resell transferable development rights (TDRs), which are used by local jurisdictions as a way to protect land from development. The authority to resell TDRs is limited to priority funding areas, and requires that 50% of the proceeds from the resale of TDRs must be used by the local government in which the priority funding area is located to fund local capital projects.

Chesapeake Bay Critical Areas Commission

The Chesapeake Bay Critical Area, created in 1984, consists of a 1,000-foot shoreline strip around the Bay and its tributaries and was identified as an area that needs to be environmentally protected to ensure the survival of the Bay's tidal waters, fish, wildlife, and plant habitats. Local jurisdictions have the primary responsibility for developing and implementing a local critical areas program, subject to review and approval by the Chesapeake Bay Critical Areas Commission.

House Bill 1323 (passed) amends the Critical Areas Law to require a local jurisdiction's critical areas programs to include provisions for making reasonable accommodations for individuals with physical disabilities when the accommodations are necessary to avoid discrimination on the basis of physical disability. Additionally, the bill authorizes a local jurisdiction to require the removal of any structure built or installed to accommodate a physical disability when the permitted accommodation is no longer necessary.

Hunting and Fishing

Wildlife Management

Blind Sites

In 1999, Chapter 703 was enacted revising licensing procedures for blind sites generally throughout the State, with the exception of Talbot County. The effect of Chapter 703 was to prescribe a uniform licensing system for the placement of blind sites, the distance between blind sites, and the distance into the water where a blind site may be placed. Chapter 703 takes effect May 1, 2000. *House Bill 347 (passed)* repeals current duck blind licensing provisions specific to Talbot County, thereby making Talbot County consistent with the licensing requirements of all other counties.

Continuing the work of Chapter 703, *House Bill 656 (passed)* clarifies the new blind site requirements to allow a riparian landowner who owns less than 250 yards of continuous shoreline to establish an offshore blind site if no other shoreline is licensed within 125 yards of the blind site. This bill will provide small landowners with hunting opportunities.

Deer Hunting

According to Department of Natural Resources (DNR), deer populations are capable of doubling within a few years if they are not controlled. With diminished populations of natural predators, DNR maintains the most efficient type of population control is hunting. *House Bill 406 (passed)* codifies existing regulations by allowing DNR to issue a limited number of bonus antlerless deer stamps for the purpose of regulating the harvest of antlerless deer in a particular deer management region or zone. Due to the fiscal burden of refunding application fees, the bill makes the fee for bonus antlerless deer stamps non-refundable if the applicant does not obtain an antlerless deer stamp through the lottery system.

House Bill 805 (passed) requires DNR to adopt regulations governing the use of dogs to aid in the prompt recovery of killed, wounded, or injured deer, which is especially difficult in heavily vegetated areas. Except as provided in those regulations, a person may not take a dog into the woods or possess or control a dog in the woods and use the dog to hunt or pursue deer.

Coyote Hunting and Trapping

Current law provides for the hunting and trapping of coyotes through September 30, 2000. In response to concerns by citizens that the increasing coyote population is causing damage to farm animals, pets, property, and other wildlife, *House Bill 1322 (passed)* repeals the September 30, 2000, termination date relating to the hunting and trapping of coyotes in order to allow for the continued management of the coyote population.

Fisheries Management

Tidal Fish Licenses

In order to maintain the 1998 Limited Entry Act's intent to develop a viable program to control fishing efforts and at the same time incorporate an avenue for new participants in the fishery, *House Bill 407 (passed)* allows a holder of three or more tidal fish license authorizations, one of which is a crabbing authorization, to trade in those authorizations for an unlimited tidal fish authorization. It also enables tidal fish license authorizations, upon the death of a licensee, to be transferred to an authorized representative or from an authorized representative to a third party.

Nontidal Fish Licenses

House Bill 1118 (passed) establishes a new category of freshwater fishing guide licenses to allow guides to operate in both nontidal and specified tidal waters. By authorizing freshwater fishing guides to provide services in limited areas of tidal water, the bill will enable anglers to better target largemouth and smallmouth bass.

To recognize that neighboring states issue nontidal fish licenses at higher fees, ***House Bill 809 (passed)*** modifies nonresident license fees for nontidal fish licenses to be the current base fee or a fee equal to the fee that a Maryland resident would be charged in the nonresident's home state, whichever is greater. In order to provide equitable treatment for Marylanders, DNR has established reciprocal fees for certain hunting licenses and commercial fishing licenses.

Senate Bill 63 (passed) allows for the legitimate replacement, at a reduced fee, of an angler's license or trout stamp that is lost or destroyed.

Regulation

A pound net work group comprised of active commercial licensees, along with representatives of the Tidal Fish Advisory Commission, Sport Fish Advisory Commission, Maryland Sportfishing Association, and Coastal Conservation Association convened several times to assess the pound net fishery. The pound net work group recommended that DNR adopt regulations to modify the process for the assignment of pound net locations to integrate GPS coordinates and limit the number of locations per licensee. ***Senate Bill 332 (passed)*** provides the authority for DNR to adopt such regulations.

In order to enhance monitoring and enforcement activities related to oyster regulation, ***Senate Bill 417 (passed)*** changes the current licensing requirements for harvesting oysters with a power dredge in Calvert, Dorchester, Somerset, and St. Mary's Counties from a license system to a permit system.

Environment

Brownfields Revitalization Incentive Program

Brownfields are abandoned or underutilized industrial or commercial sites, located primarily in urban areas, that are either contaminated or perceived to be contaminated by hazardous substances. The Brownfields Revitalization Incentive Program (BRIP), managed by the Department of Business and Economic Development (DBED), provides property tax credits for the redevelopment of brownfields in participating jurisdictions. This program also is expected to target loans and grants toward properties contaminated by hazardous waste or oil, thereby "jump starting" the redevelopment process where cleanup will have significant environment, economic development, and urban revitalization benefits.

Of the 175 counties and municipalities in the State, only Allegany, Baltimore, and Montgomery counties, Baltimore City, and three municipalities, Colmar Manor, Taneytown, and the City of Salisbury, have elected to participate in BRIP by enacting the requisite property tax legislation. There have been 15 applications to the brownfields program. To date, no grants or loans have been awarded; however, DBED advises that it will award approximately \$600,000 by the end of fiscal 2000. ***Senate Bill 513/House Bill 331 (both passed)*** were introduced to address the underutilization of the program.

The legislation allows DBED to provide a low-interest loan or grant to a person in order to conduct the environmental site assessment of a brownfields site that is required for participation in the Voluntary Cleanup Program (VCP). The person must: (1) apply for the assistance prior to applying for participation in the VCP; and (2) meet eligibility requirements established by DBED. A recipient of a grant must repay the grant if the person, within 12 months after receiving the grant, does not apply to and receive approval from the Maryland Department of the Environment (MDE) to participate in the VCP or for the implementation of a corrective action plan.

Further, a low-interest loan must convert to a market rate loan if the recipient, within 12 months after receiving the loan, does not apply to and receive approval from MDE to participate in the VCP or for the implementation of a corrective action plan. If an environmental assessment is financed in whole or in part with a BRIP grant, or by a BRIP loan that is in payment default, the information contained in the assessment is the property of the State. Conversely, if an assessment is financed by a BRIP loan, or by a BRIP grant that is repaid, the information contained in the assessment is the property of the person who contracted for the assessment.

Senate Bill 513/House Bill 331 further alter how a local jurisdiction may participate in BRIP. A county or municipality may participate by submitting a list to DBED that ranks the potential brownfields sites in the county or municipality in the order of priority for redevelopment. The list must be updated annually. The legislation repeals the requirement that participating jurisdictions enact the necessary legislation to grant the property tax credits. Instead, the legislation authorizes the participation of jurisdictions that enact such credits and provides that the money received by the fund from local jurisdictions must only be used for brownfields sites in the taxing jurisdictions that have enacted the property tax credit.

Finally, the initiative alters the types of properties that qualify as a brownfields site. Specifically, a brownfields site includes property that is owned by an innocent purchaser. An innocent purchaser is a person who can establish by a preponderance of the evidence that at the time the person acquired an interest in a site containing a hazardous substance, the person did not know and had no reason to know that any hazardous substance was disposed of on, in, or at the site.

The Brownfields Revitalization Incentive Fund has a fund balance of about \$1.4 million, comprised of general fund appropriations beginning in fiscal 1998 and investment income. DBED expects that by the end of fiscal 2000, \$600,000 will be awarded, leaving \$800,000 available for projects in fiscal 2001. It is expected that there will be sufficient demand under current law to deplete the fund balance in fiscal 2001. The fiscal 2001 budget does not include a general fund appropriation to the fund. However, DBED's capital improvement program projects that annual PAYGO appropriations to the brownfields fund will be \$1 million through fiscal 2005. Because the bill expands the eligible uses of awarded funds, it is expected that the bill will increase the number of applicants to the program. It is further expected that the bill will increase the grant and loan activity in the underutilized fund. Therefore, it is likely that special fund expenditures and related revenues from interest payments could increase beyond the \$800,000 budgeted for fiscal 2001.

Water Quality

Septic Systems

In August 1999, the Governor created the Septic System Advisory Committee to address concerns relating to nutrient pollution from septic systems. The committee was charged with defining and developing recommendations for an "areas of concern" approach to reducing nutrient pollution from septic systems.

The committee, in its report to the Governor issued in January 2000, provided several recommendations, including: (1) in areas of special concern, nitrogen removal technology should be required for all new septic systems and upon repair, replacement, or change in the use of existing septic systems; (2) MDE's on-site sewage disposal regulations should be amended to establish basic criteria for utilizing recirculating sand filters and denitrifying biological treatment units for nitrogen removal; (3) MDE should develop standard maintenance requirements; (4) MDE's septic system regulations should be amended to include inspection of all septic systems once every three years; (5) shared on-site sewage disposal systems should be addressed; and (6) financial assistance in the form of a tax credit should be provided to owners to install nitrogen removal technology.

Senate Bill 210/House Bill 283 (both failed) would have addressed the advisory committee's recommendations by requiring MDE to adopt regulations requiring nitrogen removal technology in specified areas of special concern for the installation of new septic systems or the repair, replacement, or change in use of existing septic systems. The bill also would have required MDE to propose regulations applicable statewide regarding the inspection, operation, and maintenance of on-site sewage disposal systems consistent with the bill and to report to the Governor and the General Assembly by October 1, 2002, on the progress towards implementation of the bill.

Counties would have been required, by October 1, 2004, to identify areas of special concern in county plans. "Areas of special concern" would have included:

(1) areas of failing on-site sewage disposal systems; (2) drinking water supply areas, including wellhead protection areas, reservoir protection areas, and aquifer recharge areas; (3) Chesapeake Bay critical areas; (4) soils with a high

potential to transport nitrogen; (5) karst or carbonate geologic areas; (6) coastal bays watersheds; (7) areas of groundwater and surface water with documented contamination from nitrogen; and

(8) any other areas identified and documented scientifically by local officials as requiring the use of nitrogen removal technology. Designations of areas of special concern would not have taken effect prior to October 1, 2002.

To offset some of the compliance costs for the repair, replacement, or modification of existing septic systems, the bills would have provided tax credits equal to 70 percent of the cost of purchasing and installing nitrogen removal technology up to \$4,900 in any taxable year.

Underground Storage Tanks

The Maryland Oil Disaster Containment, Clean-up and Contingency Fund (Oil Fund) was established in 1986 to provide funding to MDE's oil pollution prevention programs, such as permitting, enforcement, and oil spill response. A fee of 0.75 cents was imposed on each barrel of oil transferred into the State. During the 1996 session, the General Assembly increased the fee to 1 cent per barrel, with an additional 0.5 cent fee that is set to expire on July 1, 2000. The current fee generates approximately \$1.5 million in revenues annually. The Oil Contaminated Site Environmental Cleanup Fund (Cleanup Reimbursement Fund) was established in 1993 to reimburse underground storage tank (UST) owners for costs incurred during site cleanups.

Chapter 532 of 1996 required MDE to convene a work group and undertake a comprehensive review and assessment of the funding mechanisms for the cleanup of oil-contaminated sites from USTs, as well as the funding levels of oil-related activities. The work group, in a report submitted to the Legislative Policy Committee in November 1999, made several recommendations regarding the oil transfer fee, funding for oil pollution prevention activities, and the establishment of a new initiative to determine the extent of groundwater pollution with respect to methyl tertiary-butyl ether (MTBE). Because of its highly water soluble nature, MTBE, the most commonly used gasoline oxygenate in the United States and Maryland, is being detected with increasing frequency in surface and groundwater throughout the United States due to leaking underground petroleum storage tanks, spills, and other accidental discharges.

House Bill 457 (passed) provides for the continuation and increase of fees assessed on oil transferred into the State and provides for the expansion of the existing reimbursement program to apply to the cleanup of leaking heating oil tanks. The bill also authorizes MDE to transfer \$300,000 per fiscal year for five consecutive fiscal years beginning in fiscal 2001 from funds reserved within the Oil Fund for cleanup of underground storage tanks and oil releases to fund other oil-related activities. The collection of approximately \$500,000 in special fund revenues will continue as a result of the bill, and special fund revenues will increase by \$1.5 million. MDE intends to use some of the increase in revenues to establish a new initiative to study groundwater contamination by MTBE.

House Bill 823 (passed), an emergency bill, establishes a 16-member task force to determine and assess the environmental and health risks associated with ground and surface water contamination by MTBE. The task force will also examine national and regional efforts concerning contamination from MTBE, recommend plans to minimize and counteract risks associated with contamination from MTBE, and explore alternatives to MTBE, including ethanol and oxygenated fuel, which can be used for the purpose of reformulating gasoline to reduce air toxic emissions and pollutants that form ground-level ozone.

Lead

Although lead poisoning is preventable, it remains one of the most common child health problems in America. In order to provide tenants with important information regarding lead contaminated paint in rental housing, **House Bill 1052 (passed)** requires that when property owners of affected properties provide the required notice of tenant rights at the inception of a tenancy or upon execution of a lease, they must also give the tenant a copy of the current verified lead inspection certificate.

Ballast Water Management

In recent years, concern has been raised regarding the introduction of invasive non-indigenous aquatic species through

the exchange of vessel ballast water. **House Bill 1305 (passed)** addresses this concern by requiring MDE to adopt by regulation the federal and State guidelines for a voluntary ballast water management program for vessels entering Maryland waters. In addition, the bill requires MDE to adopt regulations for a mandatory ballast reporting requirement for all commercial vessels of 300 gross tons or more. The bill establishes penalties of up to \$500 for failure to complete and return the required forms, and up to \$5,000 and one year of imprisonment for persons who knowingly, and with an intent to deceive, falsify or fail to complete the required forms.

Dredging

Dredged material is collected as a result of the need to periodically dredge the bottom of the major approach channels to the Port of Baltimore, as well as the port itself, to ensure that these waterways are deep enough to allow ships to enter and exit the port without scraping the bottom. According to the Maryland Port Administration, about four to five million cubic yards (mcy) of material has to be dredged from the Chesapeake Bay annually to maintain shipping channels to Baltimore. Over time, the amount of dredged material is expected to increase to accommodate the increasing size of new ships.

Currently, most of the material dredged from the upper bay and Baltimore Harbor is placed at the Hart-Miller-Pleasure Island Dredged Material Containment Facility, located off the coast of Baltimore County. In addition to Hart-Miller Island, a small amount of dredged material is currently placed at an open water site called Pooles Island. Another containment facility is under construction on Poplar Island. In order to get the maximum use and life expectancy out of both the Hart-Miller Island and Poplar Island facilities, the Port Administration advises that another facility is needed as the amount of material that needs to be dredged exceeds the planned dredging and redeposit schedule.

A 1996 task force examined long-term options for handling the roughly 108 million cubic yards of material expected to be dredged over the next 20 years. The Governor's Action Plan for Dredged Material Management recommended that a combination of six sites, including an unspecified open water site, be used to dispose of clean dredge spoil. The Maryland Port Administration has recommended one open water site, known as "Site 104," as a short-term placement option that would hold up to 18 mcy of clean dredged material from the upper bay. Site 104, located about a half mile north of the Bay Bridge and a mile west of Kent Island, was used as a disposal site from 1924 until 1974; however, new permitting is required to reopen the site.

Should use of Site 104 be permitted, the U.S. Army Corps of Engineers (the Corps) would be in charge of the dredging operation. In February 1999, the Corps completed a draft Environmental Impact Statement (dEIS) that concluded that the use of Site 104 as a disposal site would not pose significant environmental damage. The Chesapeake Bay Foundation, the U.S. Fish and Wildlife Service, the National Marine Fisheries Service, and the U.S. Environmental Protection Agency publicly criticized the Corps' evaluation of the project. After review and analysis of public concerns and consultation with those agencies, the Corps announced in early August that it would formally revise the dEIS. According to the Maryland Port Administration, a revised dEIS is not expected until June 2000, which will delay the use of Site 104 as a disposal site until October 2001, at the earliest.

Several bills related to the use and placement of dredged material were introduced during the 2000 session. All of them failed.

Recognizing the need to wait for a final Environmental Impact Statement by the Corps, **House Bill 68 (failed)** would have placed a one-year moratorium on depositing dredge spoil at Site 104.

Senate Bill 26/House Bill 40 (both failed) would have prohibited the placement of dredged material at Site 104 before February 1, 2002, and would have established a 15-member Oversight Commission on Chesapeake Bay Dumping to investigate land-based alternatives for the placement of dredged material and sources of federal funds to offset any increase in costs arising from land-based placement.

House Bill 662 (failed) would have prohibited the depositing of dredged material at Site 104 and would have required the Maryland Port Administration to submit a strategic plan on dredged material management to the Legislative Policy Committee and the General Assembly by December 1 of each year.

House Bill 25 (failed) would have prohibited the depositing of dredge material at Site 104. Further, the bill would have prohibited open-water dumping of dredged material except within a five-mile radius of Pooles Island.

House Bill 731 (failed) would have established a 13-member task force to study the feasibility of utilizing Lower Eastern Neck Island or Parsons Island as a depository for dredged material.

House Bill 1204 (failed) would have established the Dredge Disposal Alternative Fund and pilot program in DBED to encourage the implementation of technologies and the development of end-use markets that help to protect the public health and the environment by using dredge material as a resource. The goal of the pilot program was to facilitate the reuse of at least 500,000 cubic yards of dredge material each year through processing and reuse.

House Bill 1061 (failed) would have established a tax credit for 50 percent of the amount of qualifying expenses for research and development related to beneficial uses of dredge material or implementation and use of these techniques, including construction and related costs.

Rivers, Streams, and Lakes

Potomac River

In 1996, the Fairfax County (Virginia) Water Authority, which draws millions of gallons of water from the Potomac River daily, applied for a construction permit to replace its existing intake pipe. The Maryland Department of the Environment has refused to issue a permit until a study of the impact of the proposed pipes on the health of the river has been completed. This matter is currently pending final decision by the Department of the Environment, after having been reviewed by the Office of Administrative Hearings. On February 18, 2000, the Commonwealth of Virginia asked the United States Supreme Court to order Maryland to clear the way for its project to draw drinking water for Virginians from the Potomac River above Washington. In a lawsuit filed directly with the Supreme Court, Virginia argued that Maryland officials are insisting illegally on retaining its veto power over the water intake tube.

In light of these matters, **Senate Bill 729 (passed)** and **House Bill 395 (passed)** were introduced in an effort to assess and identify future water supply and demand issues facing the nontidal portion of the Potomac River Basin. The bills require the Secretary of the Environment to submit certain reports to the General Assembly. The bills prohibit the Secretary of the Environment from issuing a permit for the construction of a water intake pipe into the Potomac River until six months after those reports have been submitted unless: (1) the new pipe replaces an existing pipe that is already in use; (2) the new pipe cannot be used concurrently with the pipe to be replaced; (3) the new pipe does not have the capacity to withdraw more than 5 million gallons of water per day over the amount authorized by the water appropriation permit; and (4) the new pipe is placed at least 30 inches below the water surface at the Potomac River's historic low flow. **Senate Bill 729** provides more flexibility to the Department of the Environment by adding another method by which the Secretary may issue a permit before the required reports are submitted to the General Assembly. The Secretary may issue the permit if the Secretary determines that the issuance of the permit is in the public interest and the water intake will meet the following conditions: (1) the new pipe will replace a pipe already in use; (2) the new pipe cannot be used concurrently with the pipe to be replaced; (3) the new pipe will be placed at least 30 inches below the water surface at historic low flow; (4) the new pipe will not have the capacity to withdraw a greater quantity of water than the existing intake; and (5) the new pipe will incorporate a component that cannot be modified without the consent of the Department, that will limit maximum daily withdrawal to the maximum amount authorized by the water appropriation permit. The limitations on the Secretary's authority in both bills do not apply to a person who: (1) holds or applies for a permit to construct a water intake pipe or structure to withdraw water from the Potomac River; and (2) returns all or a majority of the water withdrawn to the Potomac River within three miles of the point of withdrawal.

Waste Management

Scrap Tires

Chapter 667 of 1989 established the State Used Tire Cleanup and Recycling Fund to support activities related to the

cleanup of stockpiled scrap tires and for the collection, transportation, recycling, and processing of scrap tires in the State. The fund is supported through a tire recycling fee of up to \$1 assessed by a tire dealer on the first sale of each new tire in the State. Chapter 627 of 1997 expanded the allowable uses of the fund and provided that the tire recycling fee terminates on July 1, 2000. Under current law, the fund is limited to a maximum of \$15 million. If the sum of unallocated funds and the projected fees for the next fiscal year exceeds that amount, the Board of Public Works is required to adjust the fees for the next fiscal year. In recent years, the fund has had a substantial balance. According to MDE, the implementation of tire-related projects has occurred more slowly than anticipated. In fiscal 1997, the fund balance was adequate enough that \$7 million was transferred to the general fund to support other environmental activities. In fiscal 2000, the beginning fund balance was approximately \$9.5 million. The projected beginning fund balance for fiscal 2001 is almost \$11 million.

In response to concern about the significant fund balance and the delay in implementing tire-related projects, *Senate Bill 136 (passed)* was introduced. The legislation provides for the continuation of the tire fee through fiscal 2004 but reduces the fee to a maximum of \$0.40. Further, the bill reduces the maximum limit of the fund to \$10 million, clarifies the allowable uses of the tire fund, and requires MDE to accelerate expenditures from the fund. *Senate Bill 136* also limits MDE's ability to recover specified costs through reimbursements, changes the date by which MDE must submit its annual report on the fund to the General Assembly, and requires MDE to include in the report an account of expenditures from the fund.

The current tire recycling fee generates approximately \$5.1 million in special fund revenues annually. The current fee expires on July 1, 2000. By continuing but reducing the tire fee, the fee will generate approximately \$2 million in special fund revenues annually through fiscal 2004.

Under current law, generally, a person may not store scrap tires in the State or dispose of scrap tires in a landfill. Scrap tire haulers, collection facilities, other facilities, and recyclers are required to be licensed by MDE. Current law authorizes MDE to bring an action for an injunction or a civil action against violators of the scrap tire law. MDE may also impose administrative penalties. In order to deter the illegal dumping of scrap tires and to strengthen the enforcement powers of the State, *House Bill 307 (failed)* would have prohibited a person from disposing of scrap tires except through a licensed scrap tire hauler or by delivering the tires to an approved facility. The bill also would have established criminal penalties for violations of the bill's prohibition and specified provisions of current law.

Recycling

The 1997 Recycling Advisory Group and the 1998 Governor's Solid Waste Management Task Force recommended that the State establish a voluntary statewide diversion goal of 40 percent by 2005. *Senate Joint Resolution 6 (passed)* affirms those recommendations. The diversion goal will be accomplished by reducing waste generated at the source and by expanding existing recycling programs through the cooperative efforts of waste generators, State agencies, local governments, the waste industry, the recycling industry, environmental groups, boards of education, and other interested parties.

Air Quality

Commuter Benefits Act

In an effort to reduce air pollution from automobiles by reducing vehicle miles traveled, *Senate Bill 244/House Bill 310 (both passed)* allow a credit against the State income tax for employers who provide employees a "cash in lieu of parking program" or a "guaranteed ride home." The bills also allow specified tax-exempt organizations to apply tax credits allowed for employer-provided commuter benefits as a credit against the payment of employee withholding taxes required to be withheld from the wages of employees and paid to the Comptroller. Under current law, a tax credit exists for employers that provide certain commuting benefits to their employees. The credit is equal to 50 percent of the cost of ride-share commuting expenses provided by the employer, subject to a maximum credit of \$30 per employee per month.

Administrative Civil Penalties

In an effort to increase the ability of the Department of the Environment (MDE) to assess penalties for air pollution violations administratively, *Senate Bill 62 (failed)* would have increased the maximum administrative civil penalty for an air pollution violation that MDE may assess to \$10,000 per day per violation with a \$200,000 limit for any single administrative hearing.

Smart Growth

In an attempt to prevent sprawling suburban development, Chapter 759 of 1997 established the Smart Growth program. Consistent with that initiative, *House Bill 1206 (passed)* requires a local planning commission, through its comprehensive plan required under Article 66B, the State zoning and planning law, to implement the vision that adequate public facilities and infrastructure under the control of a county or municipal corporation are available or planned in areas where growth is to occur.

Agriculture

Agricultural Land Preservation

The Maryland Agricultural Land Preservation Foundation (MALPF) was created by the Maryland General Assembly to preserve productive agricultural land and woodland. Agricultural preservation districts are formed when qualifying landowners sign voluntary agreements to keep their land in agricultural or woodland use for at least five years. Landowners who agree to place their farms within an agricultural preservation district may sell a development rights easement on that property to MALPF.

The Maryland Agricultural Land Preservation Program preserves land for agricultural use by purchasing perpetual easements from landowners. The landowner retains use of the land for agricultural purposes but may not use the land in a manner incompatible with agriculture. Since the program's inception over 20 years ago, approximately 150,000 acres have been preserved.

Development Rights

House Bill 301 (passed) requires a county to notify the MALPF of the total current development rights on a property when the county approves an application to sell an easement to the Foundation. Current law requires that MALPF obtain appraisals on easements before purchase. The number of development rights on a property may significantly impact its appraised value. The bill is designed to ensure that MALPF has an accurate appraisal of a property when deciding whether to purchase an easement and what price to pay for the easement.

Task Force to Study MALPF

House Bill 740 (passed) establishes a task force to study MALPF. The bill requires the task force to: (1) study the current program and practices of the MALPF; (2) study the financial standing of the MALPF; (3) review and make recommendations on legislation considered by the General Assembly in the 2000 session that would affect MALPF; and (4) make recommendations to improve the program, practices, and financial standing of the MALPF. The task force will issue an interim report on December 1, 2000, and a final report on July 31, 2001.

Matching Grants

House Bill 186/Senate Bill 255 (failed) would have required the Maryland Agricultural Land Preservation Foundation to provide a matching grant to a county with a certified agricultural land preservation program in an amount equal to the lesser of

\$1 million or the increase in the county's general funds used for an approved local agricultural land preservation program in fiscal 2001 over fiscal 2000. This bill was referred to interim study.

Lot Rights

House Bill 162 (failed) would have reduced the number of lots a landowner may exclude from an easement sold under the Maryland Agricultural Land Preservation Foundation program from ten to four. The bill was referred to interim study.

Nutrient Management

During the 1997 Interim, members of the General Assembly and the Governor's Blue Ribbon Citizens Pfiesteria Action Commission (commission) studied the scientific and public policy issues regarding fish kills which occurred in lower Eastern Shore rivers in late 1996 and the summer of 1997. Of particular concern was the nutrient over enrichment of the waters of the State and its implications for promoting the growth of *Pfiesteria*. Specifically, the commission focused on the role of the chicken industry and the large quantities of chicken litter generated and ultimately applied to agricultural fields as nutrients for the soil. Chapters 324 and 325 of 1998 required farms to develop and implement nutrient management plans by certain dates, depending on what kind of nutrients are being applied to the land.

House Bill 327 (passed) amends the Water Quality Improvement Act of 1998 based on recommendations from the Nutrient Management Advisory Committee (NMAC) that was charged by the law to advise the Maryland Department of Agriculture (MDA) and assist with the development of regulations. The bill requires the State to facilitate the transfer of livestock manure from farms that experience phosphorus over enrichment. **House Bill 327** also expands the Poultry Litter Transportation Pilot Project to provide cost share assistance for the transport of all types of livestock manure from farms; removes a cap on cost share assistance for the development of nutrient management plans; removes the requirement that MDA provide for a religious exemption; modifies the definition of "animal unit;" and allows MDA to adopt regulations exempting specified agricultural research, education, and demonstration projects from the requirements to develop nutrient management plans.

Maryland Commercial Feed Law

The MDA advises that there are about 11,000 feed and pet food products registered each year. Legislation enacted in 1992 increased the registration fee for commercial feed products from \$35 to \$40 per product. MDA reports that additional revenues are needed to: (1) cover increased operating costs of conducting regular program activities; (2) expand the field inspection and laboratory testing of animal feeds and pet foods; and (3) analyze for additional components and contaminants in livestock feeds and pet foods to ensure that products conform to label claims. **House Bill 158 (passed)** increases the annual registration fee for commercial feed products from \$40 to \$50. **House Bill 158** will increase the special fund revenues by an estimated \$110,000 annually.

Pesticides

Pesticide Applicator Fee

Revenue from pest control certification fees are used to pay salaries and operating expenses of employees who conduct the pesticide applicator training, testing, and certification program. The fee has remained at \$50 since approximately 1976. MDA reports that additional revenue is needed to fund increased salary costs and to address the increased demands on the pesticide program for applicator certification and training needs. **House Bill 159 (passed)** increases the annual fee for a pest control consultant certificate or pest control applicator certificate from \$50 to \$65. **House Bill 159** will increase the special fund revenues by an estimated \$48,000 annually.

Maryland Crop Insurance

Maryland farmers have suffered from three years of drought conditions. During 1999, farmers experienced this region's worst drought in decades. Although, the federal government provides federal insurance assistance, the cost of crop insurance is still relatively high. **House Bill 1299/Senate Bill 849 (both passed)** establish a Maryland Crop Insurance Premium program for the purpose of encouraging eligible farmers to participate in the Federal Crop Insurance program administered by the U.S. Department of Agriculture, Farm Service Agency. The Secretary of Agriculture is authorized to pay a farmer that is eligible to participate in the federal program up to \$2 per acre for any federal crop insurance

premium paid by the farmer.

Tobacco

Maryland Tobacco Authority

The Maryland Tobacco Authority is responsible for regulating the sale of leaf tobacco in Maryland. The Tobacco Authority was the subject of a sunset evaluation by the Department of Legislative Services (DLS) during the 1999 interim. DLS found that the Tobacco Authority is adequately run and performing its statutory requirements of regulating the tobacco auction in a satisfactory manner. However, since market forces are in flux and the future of Maryland tobacco production is uncertain, DLS recommended that legislation be enacted during the 2000 session to extend the commission's termination date for only five years - to July 1, 2006.

House Bill 353/Senate Bill 364 (both passed) reflect the recommendations provided by DLS. The bills continue the Tobacco Authority until July 1, 2006. Additionally, the bills require the Authority to report to the General Assembly by December 1 of each year on the status of tobacco growing in Maryland.

Cigarette Restitution Fund - Tobacco Crop Conversion

Chapters 172 and 173 of 1999 outlined nine legislative spending priorities for the Cigarette Restitution Fund addressing health- and tobacco-related issues. The restitution fund was created for settlement payments from the 1998 tobacco settlement agreement. The fiscal 2001 budget allocates funds from the cigarette restitution fund money for converting tobacco crops to nontobacco crops. The bill contains a total of \$11,500,000 (\$9,000,000 appropriation for fiscal 2001 and a deficiency appropriation of \$2,500,000 for fiscal 2000) to assist farmers in the transition of tobacco farms to nontobacco crops and the preservation of agricultural land. Of the funds appropriated, \$11,400,000 is subject to specified restrictions and reporting requirements.

Maryland Horse Industry Board

The Maryland Horse Industry Board licenses and inspects horse racing facilities on an annual basis. Its mission is to ensure the safety of the public and the welfare of the horses at the stables it licenses. The Maryland Horse Industry Board would have terminated on July 1, 2001, without further legislative action. **House Bill 299/Senate Bill 369 (both passed)** extend the termination date of the Maryland Horse Industry Board until July 1, 2006, with a sunset evaluation required on or before July 1, 2005. The bill also requires the Board to provide information on its staff needs, fee structure, and long-term funding mechanisms to the General Assembly by September 30, 2001.

Industrial Hemp

Industrial hemp is a crop that can be used to produce textiles, ropes, cellulose plastics, resins, particle board, paper products, and oil. Industrial hemp is different from its better known relative marijuana, but both are derived from the Cannabis sativa plant. However, marijuana comes from the leaves and flowers and contains levels of three percent to 15 percent tetrahydrocannabinol, the chemical responsible for marijuana's psychoactive properties. Cannabis plants grown for industrial hemp contain less than one percent of this chemical. Both plants are regulated by the United States Department of Justice Drug Enforcement Agency (DEA) as a Schedule I substance.

House Bill 1250 (passed) establishes a four and one-half year pilot program to study the growth and marketing of industrial hemp in Maryland. The pilot program will be administered by the Maryland Department of Agriculture in consultation with the United States Department of Justice Drug Enforcement Agency and the Maryland Department of State Police. Industrial hemp will only be grown on State property. MDA must ensure the safe cultivation and use of industrial hemp. In order to participate in the pilot program by growing, handling, transporting, or processing industrial hemp, an individual must be licensed by MDA, must register with the DEA, and must go through the Criminal Justice Information System (CJIS) for a criminal history records check.

Part L Education

Primary and Secondary Education

Teacher Incentive Programs and Enhanced Funding for Public Education

Salary enhancements for public school employees are typically decided and funded at the local level. However, the State provides considerable financial support to local school systems, with most of the funding having little if any restrictions. Public schools in Maryland receive on average about 42 percent of their funding from the State, with less affluent school systems receiving a greater share of funding from the State and more affluent school systems receiving a lower share. During the 2000 legislative session, the General Assembly decided to provide incentives to local school systems to increase teachers' salaries. Under the plan adopted, the local school systems will choose to enter into a partnership with the State to increase teacher salaries by 10 percent over the next two fiscal years to attract and retain teachers.

Senate Bill 810/House Bill 1247 (both passed) establish the Governor's Teacher Salary Challenge Program - Public School Funding Enhancement. Local boards of education are provided incentives to increase teachers' salaries and additional funds for other educational purposes. Local boards must provide at least a 4 percent salary adjustment to teachers in fiscal 2001 and 2002 to qualify for a portion of the State funding (percentage and wealth-adjusted components). The State will then provide an additional 1 percent salary match. The legislation establishes the Governor's Teacher Salary Challenge Program; provides for a personal property wealth base adjustment; and includes funding for academic intervention services and an additional \$8 million for the Baltimore City Partnership. **Exhibits 1 and 2** summarize the funding provided to each local board under the legislation.

Governor's Teacher Salary Challenge Program

The Governor's Teacher Salary Challenge Program provides an incentive to local boards of education to increase teachers' salaries in fiscal 2001 and 2002. Funding under the challenge program consists of five components: (1) percentage component; (2) wealth-adjusted component; (3) targeted component; (4) hold harmless component; and (5) transitional component. The program terminates after fiscal 2002.

The percentage component equals 1 percent of a local school system's teacher salary base in fiscal 2001 and 2 percent of the teacher salary base in fiscal 2002. The percentage component must be used to provide an additional 1 percent salary increase to teachers. The wealth-adjusted component is provided to local school systems with below average wealth. The targeted component is provided to local school systems with wealth per pupil below 75 percent of the State average. Funding for this component totals \$5.3 million in fiscal 2001 and \$10.6 million in fiscal 2002. The hold harmless component ensures that a local school system's current expense aid equals at least the amount received in the prior year. The transitional component for fiscal 2001 only totals \$9 million in funding and is based on each county's proportionate share of retirement contributions made to the State in fiscal 2000. The total cost of the salary program in fiscal 2001 is \$45 million but the State budget only includes \$35 million. The remaining funds could be provided through a budget amendment. The legislation requires that the \$9 million transitional component be funded in fiscal 2002 if not funded in fiscal 2001.

Personal Property Wealth Base Adjustment

Senate Bill 810/House Bill 1247 exclude manufacturing personal property subject to a tax credit from a county's assessable base for purposes of calculating State education aid. Under current law, for purposes of calculating State aid, the value of tax exempt property is excluded from a county's assessable base; however, the value of property to which a tax credit applies is included in the assessable base. Since both the current expense and compensatory aid formulas are partly based on local wealth, retaining the personal property that is subject to a tax credit within a county's wealth base makes that county relatively more wealthy than it otherwise would be if the personal property were subject to an exemption and were removed from the base.

Under current State law, personal property used in manufacturing is 100 percent exempt from property taxes, except in five counties (Allegany, Garrett, Somerset, Wicomico, and Worcester). Garrett, Wicomico, and Worcester counties provide a property tax credit against personal property used in manufacturing. Allegany County provides both a tax credit and a 25 percent exemption. The bills would treat tax credits and exemptions for manufacturing personal property in the same manner for purposes of calculating State education aid, which will result in a reallocation of State funding under the current expense and compensatory aid formulas.

Transitional Education Fund

Senate Bill 810/House Bill 1247 establish a Transitional Education Fund for the purpose of retaining the retirement reimbursement contributions from local school systems associated with positions funded from federal or State categorical programs for fiscal 2000, 2001, and 2002 (i.e., reimbursements made by the local school system to the State after June 30, 1999, but before July 1, 2002). The special fund would total approximately \$16.5 million of fiscal 2000 reimbursements and \$23 million of reimbursements for each of fiscal 2001 and 2002. The Transitional Education Fund will be used to implement the salary challenge program. The fund terminates at the end of fiscal 2002, and any fund balance at that time reverts to the general fund.

Baltimore City Partnership Funding

Under the terms of the 1996 consent decree between the city school system and the State, the city school board may request additional funds after the completion of the interim evaluation required under the decree and subsequent city school legislation (Chapter 105, Acts of 1997). The interim evaluation, performed by Metis Associates of New York City and completed in February 2000, concluded that the city school system had made reasonable progress in implementing reform and improving student achievement. The evaluation determined that overall financial resources available to the school system were not adequate and additional funding of \$2,698 per pupil would be necessary to achieve adequacy. In December the city school system submitted a remedy plan totaling \$49.7 million for instructional programs and \$40 million for capital.

Senate Bill 810/House Bill 1247 require the Governor to include at least \$8 million in additional funding in the fiscal 2001 and 2002 State budget for the Baltimore City Partnership. This \$8 million as well as the salary challenge funds partially fund elements of the remedy plan. This amount is consistent with the additional \$8 million for the Baltimore City Partnership in the fiscal 2001 State budget. The Governor is authorized to use Cigarette Restitution Funds for this enhancement.

Academic Intervention

Local school systems provide a variety of programs to supplement academic services for low-performing students, including before- and after-school sessions, school community centers, and recreational programs. Even with such services, thousands of children across Maryland lack the basic skills that are needed in today's challenging labor market. Approximately 58 percent (78,500) of students in first and second grade and 55 percent (111,000) of students in grades five through seven have been identified by the Maryland State Department of Education (MSDE) as needing academic intervention based on the student's reading skill.

Senate Bill 810/House Bill 1247 provide \$19.5 million for intervention strategies to improve the outcomes for students by providing programs for students who are not performing at grade level. The Governor has included only \$12 million in the fiscal 2001 State budget for this initiative, including \$400,000 for MSDE administrative costs. The remaining funds could be provided through a budget amendment or in the fiscal 2002 State budget. The academic intervention grants shown in **Exhibit 1** and **Exhibit 2** are allocated according to MSDE's projection of the number of students needing services and a \$70,000 start-up grant for each local school system.

Increased State Funding

The Governor's Teacher Salary Challenge Program - Public School Funding Enhancement potentially provides an additional \$72.6 million to local school systems in fiscal 2001, of which \$55 million is included in the fiscal 2001 State budget. An additional \$17.6 million is not included in the fiscal 2001 State budget and therefore may not be available to local school systems. However, the Governor could fund the enhancements through a budget amendment. Under the legislation, the Governor is authorized to use money from the Cigarette Restitution Fund to finance the teacher salary increases, the academic intervention and support program, and the Baltimore City remedy obligations.

**Exhibit 1
Governor's Teacher Salary Challenge Program - Public School Funding Enhancement (SB 810/HB 1247)
Potential Funding Enhancements in Fiscal 2001**

County	Percentage Component	Wealth Adjusted Component	Targeted Component	Hold Harmless Component	Transitional Component	Subtotal	Personal Property Adjustment	Baltimore City Remedy	Academic Intervention	Total Funding	Per Pupil Funding
Allegany	\$292,338	\$92,228	\$364,610	\$0	\$175,139	\$924,315	\$2,130,387	\$0	\$259,319	\$3,314,021	\$329
Anne Arundel	2,214,801	0	0	0	621,727	2,836,528	(242,006)	0	1,486,749	4,081,271	57
Baltimore City	2,908,552	1,412,816	3,464,489	129,232	2,581,914	10,497,003	(389,758)	8,000,000	3,374,748	21,481,993	225
Baltimore	3,367,598	0	0	0	1,244,053	4,611,652	(337,733)	0	2,033,327	6,307,245	63
Calvert	449,726	37,454	0	0	115,061	602,241	(41,410)	0	341,821	902,652	60
Caroline	149,686	67,479	188,848	0	100,986	506,998	(12,416)	0	181,642	676,224	130
Carroll	793,431	149,167	0	0	120,946	1,063,543	(64,601)	0	520,967	1,519,910	58
Cecil	455,710	123,269	530,711	0	161,271	1,270,961	(37,053)	0	354,630	1,588,538	108
Charles	593,810	109,970	0	0	161,571	865,350	(55,852)	0	526,116	1,335,614	63
Dorchester	152,405	42,910	170,420	0	96,946	462,680	(14,069)	0	179,397	628,009	133
Frederick	1,041,035	156,661	0	0	152,444	1,350,140	(88,630)	0	682,758	1,944,268	57
Garrett	143,275	31,870	0	173,416	119,223	467,783	12,371	0	169,851	650,006	135
Harford	1,062,234	193,380	0	0	180,247	1,435,862	(95,344)	0	697,316	2,037,833	55
Howard	1,483,593	0	0	0	157,541	1,641,134	(138,979)	0	761,191	2,263,346	54
Kent	88,641	0	0	0	49,211	137,852	(9,066)	0	105,629	234,415	89
Montgomery	5,149,634	0	0	0	1,188,395	6,338,030	(554,336)	0	2,224,454	8,008,148	65
Prince George's	3,685,605	832,279	0	0	818,020	5,335,904	(315,728)	0	3,364,698	8,384,874	68
Queen Anne's	191,454	0	0	0	79,764	271,218	(20,996)	0	193,946	444,169	68
St. Mary's	431,901	82,692	0	0	133,330	647,922	(39,112)	0	329,385	938,195	67
Somerset	95,679	39,750	103,293	0	93,479	332,201	(8,989)	0	143,618	466,831	164
Talbot	130,610	0	0	493,607	42,500	666,716	(21,396)	0	166,405	811,725	193
Washington	598,146	113,309	0	179,789	245,043	1,136,287	(53,287)	0	424,509	1,507,508	80
Wicomico	423,934	130,253	477,629	0	263,039	1,294,854	359,494	0	375,718	2,030,065	154
Worcester	218,717	0	0	45,766	98,150	362,634	43,536	0	201,803	607,973	93
Unallocated	0	0	0	0	0	0	0	0	400,000	400,000	
Total	\$26,122,513	\$3,615,484	\$5,300,000	\$1,021,810	\$9,000,000	\$45,059,807	\$5,025	\$8,000,000	\$19,500,000	\$72,564,832	\$91

Note: The percentage and wealth adjusted components are contingent upon local school systems providing teachers with a 4% cost-of-living increase.
 Hold harmless component ensures that a local school system's current expense aid equals at least the amount received in the prior year.
 Transitional component is based on each county's proportionate share of retirement contribution reimbursement to the State.
 Academic intervention grants are allocated according to MSDE's projection on the number of students needing services and a \$70,000 start-up grant per local school system.
 Numbers may not total due to rounding.
 Prepared by the Department of Legislative Services, April 2000

**Exhibit 2
Governor's Teacher Salary Challenge Program - Public School Funding Enhancement (SB 810/HB 1247)**

County	Funded in the Fiscal 2001 State Budget					Not Funded in the Fiscal 2001 State Budget					Total Funding Enhancements	Per Pupil Funding
	Teacher Salary Challenge	Personal Property Adjustment	Academic Intervention	Baltimore City Remedy	Sub Total	Hold Harmless Component	Transitional Component	Academic Intervention	Sub Total			
Allegany	\$749,176	\$2,130,387	\$177,810	\$0	\$3,057,373	\$0	\$175,139	\$81,509	\$256,648	\$3,314,021	\$329	
Anne Arundel	2,214,801	(242,006)	876,782	0	2,849,577	0	621,727	609,967	1,231,694	4,081,271	57	
Baltimore City	7,785,857	(389,758)	1,951,923	8,000,000	17,348,022	129,232	2,581,914	1,422,825	4,133,970	21,481,993	225	
Baltimore	3,367,598	(337,733)	1,188,037	0	4,217,902	0	1,244,053	845,290	2,089,343	6,307,245	63	
Calvert	487,180	(41,410)	224,792	0	670,562	0	115,061	117,030	232,091	902,652	60	
Caroline	406,012	(12,416)	133,576	0	527,172	0	100,986	48,066	149,052	676,224	130	
Carroll	942,597	(64,601)	326,808	0	1,204,804	0	120,946	194,159	315,106	1,519,910	58	
Cecil	1,109,690	(37,053)	232,086	0	1,304,722	0	161,271	122,545	283,816	1,588,538	108	
Charles	703,779	(55,852)	329,740	0	977,667	0	161,571	196,376	357,947	1,335,614	63	
Dorchester	365,734	(14,069)	132,297	0	483,963	0	96,946	47,100	144,046	628,009	133	
Frederick	1,197,696	(88,630)	418,941	0	1,528,007	0	152,444	263,817	416,260	1,944,268	57	
Garrett	175,145	12,371	126,861	0	314,377	173,416	119,223	42,990	335,629	650,006	135	
Harford	1,255,614	(95,344)	427,231	0	1,587,502	0	180,247	270,084	450,331	2,037,833	55	
Howard	1,483,593	(138,979)	463,606	0	1,808,220	0	157,541	297,585	455,126	2,263,346	54	

Kent	88,641	(9,066)	90,289	0	169,865	0	49,211	15,340	64,550	234,415	89
Montgomery	5,149,634	(554,336)	1,296,876	0	5,892,175	0	1,188,395	927,578	2,115,973	8,008,148	65
Prince George's	4,517,884	(315,728)	1,946,200	0	6,148,356	0	818,020	1,418,498	2,236,518	8,384,874	68
Queen Anne's	191,454	(20,996)	140,583	0	311,040	0	79,764	53,364	133,128	444,169	68
St. Mary's	514,592	(39,112)	217,710	0	693,190	0	133,330	111,676	245,005	938,195	67
Somerset	238,722	(8,989)	111,922	0	341,656	0	93,479	31,695	125,175	466,831	164
Talbot	130,610	(21,396)	124,899	0	234,112	493,607	42,500	41,506	577,613	811,725	193
Washington	711,455	(53,287)	271,879	0	930,046	179,789	245,043	152,630	577,462	1,507,508	80
Wicomico	1,031,815	359,494	244,094	0	1,635,403	0	263,039	131,624	394,662	2,030,065	154
Worcester	218,717	43,536	145,057	0	407,310	45,766	98,150	56,747	200,663	607,973	93
Unallocated	0	0	400,000	0	400,000	0	0	0	0	400,000	
Total	\$35,037,997	\$5,025	\$12,000,000	\$8,000,000	\$55,043,022	\$1,021,810	\$9,000,000	\$7,500,000	\$17,521,810	\$72,564,832	\$91

Note: A portion of the Teacher Salary Challenge funding is contingent upon local school systems providing teachers with a 4% cost-of-living increase.

*Hold harmless component ensures that a local school system's current expense aid equals at least the amount received in the prior year.

*Transitional component is based on each county's proportionate share of retirement contribution reimbursement to the State.

*Academic intervention grants are allocated according to MSDE's projection on the number of students needing services and a \$70,000 start-up grant per local school system.

*\$17.5 million not included in the fiscal 2001 State budget could be funded through a budget amendment.

Numbers may not total due to rounding.

Prepared by the Department of Legislative Services, April 2000

Early Childhood Education

Maryland provides several early education and intervention services to families, including prekindergarten programs, Head Start, and subsidized child care.

Senate Bill 793 /House Bill 1249 (both passed) establish the Judith P. Hoyer Early Child Care and Education Enhancement Program to promote school readiness through developing and expanding high quality, comprehensive, full-day early child care and education programs and family support services. The program is named after the late Judith P. Hoyer, wife of Congressman Steny H. Hoyer, who was very active in early childhood services throughout her life. Local school systems are eligible to apply for grants under the program. The Governor must include \$7 million in the fiscal 2001 State budget for this program, as follows: \$4.0 million for Judy Center Grants; \$1.0 million for Early Child Care and Education Enhancement Grants to providers of early child care and education services who have voluntarily initiated and are actively seeking accreditation; \$1.3 million for statewide implementation of MSDE's early childhood assessment system; and \$700,000 to cover MSDE's administrative costs. The \$7 million required under these bills is funded in the fiscal 2001 budget.

The Judy Hoyer Centers will establish full-service schools where students and families can receive a full range of services in one location. Currently there is one center located in Prince George's County. The center's program is located in a building owned and operated by the Prince George's County Public School System. The center provides before- and after-school care, Head Start and Even Start services, English proficiency classes, and family support services.

Senate Bill 869/House Bill 1284 (both passed) establish the Judith P. Hoyer Blue Ribbon Commission on the Financing of Early Child Care and Education. The commission must examine the costs and availability of funding for early child care and education. The commission's interim report is due by December 31, 2000, and its final report is due by December 31, 2001.

Senate Bill 750/House Bill 1172 (both passed) require the State Board of Education to distribute early childhood literacy grants each year to organizations that: (1) promote early childhood literacy during well child visits in health care settings; and (2) solicit corporate funding for promoting early childhood literacy. Organizations must use the grants to purchase books that are distributed to children at their semi-annual checkups with their pediatricians. The early childhood literacy grants provided for in the legislation are based on the Reach Out and Read initiative, a national program that seeks to make early childhood literacy an integral part of pediatric primary care. Pediatricians encourage parents to read aloud to their young children and give books to parents to take home at all pediatric check-ups from six months to five years of age. The program is based on the belief that reading aloud to children is the most important task that parents can do to help their children enjoy books and start school ready to learn.

Special Education Services

Under current law, the State and local boards of education are required to provide a free and appropriate public education to each child with a disability through the age of 20. **House Bill 552 (passed)** extends the time period during which a child is eligible to receive special education services to the end of the school year in which the child turns 21 years of age. As a course of practice, most local school systems provide services to these students through the end of the semester in which they turn 21. Therefore, most students turning 21 after the start of the second semester are already served until the end of the school year. In addition, eight local school systems already continue to provide special education services through the end of the school year for students who turn 21 during the first semester of the school year. These school systems include Anne Arundel, Baltimore City, Baltimore, Carroll, Cecil, Garrett, Harford, and Prince George's. This bill extends special education services to students who turn 21 before the start of the second semester in the remaining 16 local school systems.

Aid to Nonpublic Schools

After deferring previous requests for aid to the approximately 130,000 nonpublic school students in the State, the Governor included \$6 million from the Cigarette Restitution Fund in the fiscal 2001 budget, specifying only that the funds could not be used for sectarian purposes.

In response, several pieces of legislation were introduced. **House Bill 1057 (failed)** would have established certain requirements for nonpublic schools to qualify for grants to purchase textbooks. **House Bill 1194 (failed)** would have made the funding contingent upon a statement from the Superintendent of Schools for the county in which a private school is located acknowledging that the county board has furnished textbooks and other instructional materials at no cost and in sufficient quantities for use in the public schools. **House Bill 1354 (failed)** would have established a task force to study the issue.

After much debate, the General Assembly left the funding intact, but attached restrictive budget bill language to the fiscal 2001 appropriation. The language specifies that the funding is to be used for the purchase of textbooks only, with a maximum distribution of \$60 per eligible nonpublic school student for participating schools, except that at schools where at least 20 percent of the students are eligible for free or reduced price lunch program, the distribution will be \$90 per student. To be eligible to participate, a nonpublic school must either be approved by or be registered with the State Board of Education, and not charge more tuition to a participating student than the statewide average per pupil expenditure. The statewide average per pupil expenditure was \$6,945 in fiscal 1998. Based on a 2.7 percent projected annual increase, the average statewide per pupil expenditure will be approximately \$7,500 in fiscal 2001. The language also outlines a process for the distribution, using Pennsylvania's program as a model.

Charter Schools

Legislation enacted in 1998 established a task force to recommend legislation that would allow Maryland public charter schools to qualify and compete for start-up funds under the Federal Charter School Grant Program. This grant program is open to states that have enacted a state law authorizing the granting of charters to schools. As Maryland currently has no authorizing legislation, the task force identified the provisions that should be contained in such a law. **Senate Bill**

543/House Bill 526 (both referred to interim study) included many of the recommendations of the task force. The legislation would have enabled local boards of education to authorize staff members, parents or guardians of public school students, and public institutions of higher education to establish public charter schools.

Technology in Maryland Schools

The Technology in Maryland Schools (TIMS) program, first funded in fiscal 1997, is a component of the Governor's Maryland Connected for Learning Initiative. Amid concern over the "digital divide," the fiscal 2001 budget includes additional funds for wiring schools for technology and for grants to schools for software, equipment, and professional development. In addition, the fiscal 2001 budget includes new funds to establish regional technology academies for teachers.

The State's fiscal 2001 school construction program currently includes

\$9.4 million for 132 school wiring projects. Another 358 public schools in Maryland remain to be funded for wiring for technology. It is expected that another approximately \$8 million will be allocated to wiring projects when the remainder of the fiscal 2001 school construction funds are allocated to specific projects in May 2000. In addition, the State plans to borrow, through a master lease arrangement with the Treasurer's Office, up to \$25 million in fiscal 2001, and potentially again in fiscal 2002, to accelerate and enhance State support of school wiring for technology projects, with the goal of funding all the remaining schools in fiscal 2001 and 2002. The enhancements include increasing the percent of State funding, removing the cap based on size, and including the cost of required electrical work. For fiscal 2001, the debt service will be funded by the Cigarette Restitution Fund.

As part of TIMS, each school is eligible for \$42,000 worth of equipment and \$8,052 for software and professional development. The fiscal 2001 budget includes \$10.3 million, mostly to cover lease payments from previous years.

Established in 1998, the Maryland Technology Academy is designed to provide teachers with intensive learning opportunities on the use of technology to impact student learning. The fiscal 2001 budget includes \$250,000 in general funds for the academy, plus an additional \$1.68 million from the Cigarette Restitution Fund to establish 20 regional programs, working through the eight regional professional development networks already in place.

Public School Buildings

Senate Bill 773/House Bill 745 (both passed) enable the New Baltimore City Board of School Commissioners to issue bonds to finance or refinance the acquisition, construction, or improvement of any public school facility in Baltimore City. The bills require passage of a resolution of approval by the Mayor and City Council of Baltimore before the school board can issue bonds. The bonds' maturity dates cannot exceed the useful life of the public school facility for which the bonds are issued or 15 years, whichever is less. The aggregate principal amount of bonds outstanding may not exceed \$25 million, as of the date that the bonds are issued. Assuming a \$25 million bond issuance, Baltimore City school expenditures could increase by \$2.4 million annually for debt service. The bill creates a "sinking fund" into which the State Comptroller would deposit withheld State education aid in an amount equal to the debt service outstanding and unpaid on the bonds, from which the debt service will be paid.

With the enactment of this legislation, the Baltimore City School Board will be the only school board in Maryland authorized to issue bonds. For all other jurisdictions, the local government issues bonds for school construction. However, due to financial constraints the Baltimore City government is limited in the amount of bonds it can issue for school construction. A recent study of capital needs identified over \$600 million of capital improvements for the Baltimore City Public Schools.

Senate Bill 894 (passed) authorizes the Board of Public Works to issue \$9,828,000 in interest free "Qualified Zone Academy Bonds" and grant the proceeds to the Interagency Committee on School Construction to be used for the Aging School Program. Qualified Zone Academy Bonds were created by the federal government as a new type of debt instrument in the Tax Reform Act of 1997 to help finance certain types of education expenditures. Financial institutions, insurance companies, and investment houses are the only entities allowed to purchase the bonds, which provide for a federal tax credit instead of interest earnings.

A school is considered a "qualified zone academy" if it is located in an enterprise or empowerment zone, or at least 35 percent of the school's students qualify for free and reduced price meals. Maryland currently has 548 schools that qualify based on this criteria. Proceeds from the Qualified Zone Academy Bonds will be used for renovations or repairs to existing public schools. Pursuant to the legislation, the Board of Public Works will issue the Qualified Zone Academy Bonds, with the proceeds being distributed to eligible local school systems.

The United States Congress has authorized \$400 million for the Qualified Zone Academy Bonds, which represents the first two years of a four-year program. Each state's allocation is based on the number of individuals residing in poverty. Maryland's current allocation totals \$9.8 million through fiscal 2001; however, it is expected that Maryland will receive an additional \$4 million allocation in fiscal 2002.

Senate Bill 711 (passed) establishes a Solar Energy Pilot Program to promote the use of solar energy systems in public school buildings. The Interagency Committee must provide grants to local boards to assist in implementing the use of solar energy systems in newly constructed or renovated school buildings. The fiscal 2001 State budget includes \$250,000 for solar energy pilot projects in public schools. However, based on current technology, solar energy is more expensive than traditional energy sources. It is estimated that local school systems would only recover about 40 percent of the total cost to implement a solar energy system through lower utility expenses over the life of the system. In recent years, both Montgomery and Prince George's counties have employed solar energy technology in several school construction projects.

House Bill 217 (failed) would have established a task force to study sustainable school buildings through the implementation of energy efficient design and construction principles.

Local Boards of Education

House Bill 117 (passed) increases the salaries of the members of the Howard County Board of Education. The chairman's salary is increased from \$11,000 to \$14,000 and the other members' salaries are increased from \$9,900 to \$12,000. The Howard County Board of Education has five members elected for six-year terms. Board members previously received a salary increase in fiscal 1997 and 1999.

House Bill 699 (passed) provides each member of the Frederick County Board of Education with \$3,000 annually in compensation and with health insurance benefits regularly provided to employees of the county board. In addition, the bill reduces the amount that board members receive for travel and other expenses, from \$2,500 to \$1,000 for board members and \$1,500 for the board president.

House Bill 1105 (passed) increases the amount that members of the Queen Anne's County Board of Education receive for travel and other expenses, from \$1,000 to \$3,000 for board members and from \$1,200 to \$3,200 for the board chairman. The Queen Anne's County Board of Education has five appointed members who serve for a term of five years.

Senate Bill 252/House Bill 201 (both passed) require a question to be placed on the ballot in Worcester County at the November 2000 general election to determine the sense of the voters on the issue of changing the method of selecting school board members from appointment by the Governor to election by county voters. The seven members of the Worcester County Board of Education are appointed by the Governor for five-year terms.

House Bill 803 (passed) establishes a 16-member Montgomery County School Board Composition Task Force to study the composition, size, authority, and responsibilities of the Montgomery County Board of Education. The task force is required to submit written findings and recommendations in a final report to

the Montgomery County Executive, the Montgomery County Senate and House Delegations, the Montgomery County Council, and the Montgomery County Board of Education by December 31, 2001.

Public School Holidays

Senate Bill 648/House Bill 415 (both passed) establish Presidents' Day as a public school holiday. The State has already designated several days as public school holidays including: Thanksgiving Day and the day after; Christmas Eve through January 1; Martin Luther King, Jr. Day; Good Friday and Easter Monday; Memorial Day; and primary and general election days. Adding an additional holiday to the public school calendar will not alter the number of days that schools are required to remain in session.

Libraries

The State operates three regional resource centers that provide coordination and services to libraries outside of the State's metropolitan areas. These services include consulting and training, cataloging and materials processing, regional databases, electronic magazine access, automated circulation and catalog systems, electronic networking, and rotating collections. The three regional resource centers are located in Salisbury (Eastern Shore), Charlotte Hall (Southern Maryland), and Hagerstown (Western Maryland).

Senate Bill 650/House Bill 1185 (both passed) alter the calculation of the State funding formula for regional resource centers beginning in fiscal 2002 by increasing the per capita grant amount from \$1.70 to \$3.50 in fiscal 2002, and by \$0.50 per year through fiscal 2004. State funding will increase by \$544,300 for the Eastern Shore Regional Resource Center, by \$521,500 for the Southern Maryland Regional Resource Center, and by \$408,800 for the Western Maryland Regional Resource Center in fiscal 2002.

Protecting Children from Obscene Materials

Access to child pornography and other obscene materials through on-line access to the Internet at public libraries is generating increasing concern in Maryland and throughout the nation. Only a few library systems in Maryland have installed filtering devices on its computers to protect children from obscene materials. *Senate Bill 522 (passed)* requires each county or board of trustees of a county library to adopt and implement policies and procedures to prevent minors from obtaining access through the library, by means of the Internet or other interactive computer service, to materials that are "obscene" or constitute "child pornography." These policies and procedures must be adopted by January 1, 2001. The State Superintendent of Schools must regularly monitor the county libraries to determine whether each library is complying with the required policies and procedures.

Higher Education

Operating Budget

State operating support for public colleges and universities in fiscal 2001 is \$859 million, an increase of 10.8 percent; the State's private colleges and universities will receive \$41.6 million in State support, an increase of 13.8 percent. **Exhibit 3** illustrates the increase in State operating support for public higher education by institution.

Fiscal 2001 represents the first year of the application of the funding guidelines adopted by the Maryland Higher Education Commission (MHEC) in September 1999 in accordance with State law which requires "operating funding guidelines based on comparisons with peer institutions and on other relevant criteria" [Education Article

§10-207(5)]. In developing a proposed funding level for each institution within the University System of Maryland (USM), MHEC incorporated information on the amount of resources, students, facilities, and other relevant factors for identified peers, universities of similar size, program mix, and location. A university funded at its proposed funding guideline level would be receiving more State support than 75 percent of its identified peer institutions. Under the funding guidelines, the University System of Maryland proposed general fund support in fiscal 2001 is \$906 million. Thus, in fiscal 2001, State support of the USM is 87 percent of the recommended funding guidelines.

Two public four-year institutions are not part of the University System of Maryland and are not funded with reference to the new funding guidelines this year: Morgan State University and St. Mary's College of Maryland. State support for Morgan State University in fiscal 2001 is \$48 million, a 10 percent increase. MHEC and Morgan State University are continuing to work to identify appropriate peer institutions for the university as part of the funding guidelines for fiscal 2002. State support for St. Mary's College of Maryland is \$13.5 million, approximately \$500,000 more than required by the statutory funding formula for the college. The increased funds will be used to increase enrollment by 200 students over the next four years.

Community colleges receive \$163 million in fiscal 2001, an increase of 16 percent. Funding for Baltimore City Community College also increases 16 percent, totaling \$26.5 million.

Exhibit 3
State Operating Support for Public Higher Education
FY 2000 - 2001
\$ in Thousands

Institution	FY 2000	FY 2001	\$ Increase 2000-2001	% Increase 2000-2001
University of Maryland, Baltimore	\$127,344	\$139,484	\$12,140	10%
University of Maryland, College Park	301,984	333,110	31,126	10%
Bowie State University	18,918	21,625	2,707	14%
Towson University	58,798	64,181	5,383	9%
University of Maryland Eastern Shore	20,488	22,474	1,986	10%
Frostburg State University	24,719	26,982	2,263	9%
Coppin State College	16,038	18,623	2,585	16%
University of Baltimore	21,795	23,476	1,681	8%
Salisbury State University	24,477	28,100	3,623	15%
University of Maryland University College	10,590	14,739	4,149	39%
University of Maryland Baltimore County	59,360	66,474	7,114	12%
U. of Md. Center for Environmental Science	11,633	12,717	1,084	9%
U. of Md. Biotechnology Institute	15,596	16,304	708	5%
University System of Md. Headquarters	8,358	10,003	1,645	20%
Subtotal University System of Md.	\$720,098	\$798,292	\$78,194	11%
Morgan State University	43,459	47,912	4,453	10%

St. Mary's College of Maryland	12,664	13,475	811	6%
Total General Fund Support for Colleges and Universities	\$776,221	\$859,679	\$83,458	11%
Baltimore City Community College	22,836	26,457	3,621	16%
Community Colleges	140,989	162,960	21,971	16%

Capital Budget

The fiscal 2001 capital program for all segments of higher education is \$385.2 million including general funds, general obligation bonds, and academic revenue bonds. This includes \$361.2 million for 50 projects associated with public higher education institutions, including community colleges. Another \$24 million funds seven projects for private institutions. The use of the general fund surplus to increase the size of the capital program has resulted in the largest capital appropriation for higher education in State history. Fiscal 2001 is the first year of the administration's five-year, \$1.2 billion program for capital construction in higher education. The *Capital Improvement Program* (CIP) shows \$852.3 million in capital spending for higher education projects over the fiscal 2002 - 2005 period. **Exhibit 4** shows the fiscal 2001 legislative appropriation for higher education capital and the funding anticipated in the CIP for fiscal 2002 - 2005. **Exhibit 5** shows the fiscal 2001 allocation of capital expenditures by higher education institutions.

Exhibit 4 FY 2001 Legislative Appropriation and Out-Year Capital Funding (\$ in Thousands)

<u>Source</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>Total</u>
GO Bonds	\$165,959	\$122,600	\$114,250	\$110,650	\$144,200	\$657,659
Paygo	194,232	169,300	37,450	25,150	28,650	454,782
Acad. Rev.						
Bonds	25,000	25,000	25,000	25,000	25,000	125,000
Total	\$385,191	\$316,900	\$176,700	\$160,800	\$197,850	\$1,237,441

Source: Department of Legislative Services and Fiscal 2001 *Capital Improvement Program*.

Exhibit 5 FY 2001 Allocation of Capital Expenditures by Higher Education Institutions (\$ in Thousands)

<u>Institution</u>	<u>FY 2001 Capital Funding</u>
University of Maryland, Baltimore	\$70,928
University of Maryland, College Park	102,264
Bowie State University	12,430
Towson University	20,364
University of Maryland Eastern Shore	9,815
Frostburg State University	29,013
University of Baltimore	3,500
Salisbury State University	500
University of Maryland Baltimore County	20,014
University of Maryland Center for Environmental Studies	1,490
University of Maryland Biotechnology Institute	2,755
University System of Maryland Headquarters	13,297
University of Maryland Medical System	11,000
Baltimore City Community College	16,244
St. Mary's College	1,087
Morgan State University	16,174
Community Colleges	24,614
Regional Centers	5,702
Independent Colleges and Universities	9,000
Johns Hopkins University	<u>15,000</u>
Total	\$385,191

The use of large amounts of general funds for higher education capital projects is relatively new. In fiscal 1999 and 2000, \$12.3 million and \$25.5 million was appropriated, respectively. The full funding of the \$1.2 billion CIP depends largely on the availability of general funds in the near future. If the forecasted amounts of general fund revenues are not realized over the next few years, projects which have received funding for design could be delayed until general obligation bond funding becomes available.

Maryland Prepaid College Trust and Maryland College Investment Plan

The Maryland Higher Education Investment Program, also known as the Maryland Prepaid College Trust, is an off-budget independent State agency governed by a nine-member board. The program was established in 1997 to enhance the accessibility and affordability of a college education by providing for the prepayment of projected in-State tuition and mandatory fees at Maryland public colleges. Parents, grandparents, and other interested persons may purchase a contract based on current tuition and fee amounts. The program offers several tuition plans and payment options. If the beneficiary attends an in-State public college, the program will pay the actual costs of tuition and fees when the beneficiary matriculates. If the beneficiary chooses to attend a private or out-of-state college, the program will pay the weighted average of tuition and mandatory fees of the Maryland public colleges. The purchaser or beneficiary must be a resident of Maryland or the District of Columbia at the time that the purchaser enters

into the contract. The program operates in accordance with Section 529 of the Internal Revenue Code, which provides for Qualified State Tuition Programs (QSTPs).

Participants in the program receive favorable tax treatment. Earnings on a purchased contract are exempt from income taxation at the State level to the extent used for qualified higher education expenses. In addition, contributors may take an income tax subtraction modification for amounts contributed to an account. A contributor may deduct up to \$2,500 each year per contract purchased until the full contribution amount has been allowed as a subtraction. At the federal level, earnings on a purchased contract are tax-deferred, and are taxed at the beneficiary's tax rate when the contract benefits are used for education expenses.

Participation in the program has not met expectations. After three enrollment periods, the program has approximately 5,000 participants, compared to an initial projection of 10,000.

Senate Bill 140/House Bill 11 (both passed) make a number of changes to the Maryland Prepaid College Trust and create the Maryland College Investment Plan in an effort to increase participation in college savings programs.

Changes to the Maryland Prepaid College Trust

Name Change: The legislation formally changes the name of the program to the Maryland Prepaid College Trust. The name Maryland Prepaid College Trust is already in use for marketing purposes.

Guarantee: The legislation creates a statutory guarantee for the program. If the current prepaid contract obligations of the program exceed the market value of program assets, at the request of the board, the Governor must include in the annual budget bill an appropriation sufficient to cover the shortfall. The General Assembly would retain the authority to decide whether to include the funds in the enacted budget. The program must repay any such appropriated amount to the State without interest in equal amounts in each of the next two fiscal years, subject to the rights of the program's contract holders. It is believed that the creation of a statutory guarantee will improve program participation by providing the public with an additional assurance of financial security.

Disclosure Requirements: The legislation requires the totality of the marketing efforts undertaken by the board to disclose that there is no guarantee that the earnings of assets invested in the program will generate enough money to cover the actual costs of tuition at the time of the beneficiary's enrollment in college. Under current law, any marketing efforts are required to include such a disclaimer. In addition, the legislation repeals a requirement that a notice declaring that the program is not backed by the State's full faith and credit be printed on each contract.

It is believed that the modification of these disclosure requirements could provide the program with greater flexibility in its marketing efforts, thereby improving program participation.

Other Changes:

- Contributors may be granted rebates in the event that program assets exceed liabilities by 30 percent or more, except under certain circumstances.
- The board may only adjust the terms of subsequent or current investment contracts to ensure continued actuarial soundness of the program in the event that the full amount of a shortfall was not appropriated as requested. Under current law, the board may make such an adjustment after each annual review of the comprehensive investment plan for actuarial soundness.
- The board may allow excess prepaid contract benefits due to receipt of scholarship, tuition remission, or early graduation to be used toward the payment of other Qualified Higher Education Expenses, a term defined in the Internal Revenue Code to include tuition, fees, books, supplies, and equipment required for college attendance, as well as certain room and board expenses for students who attend college at least half-time. Currently, program funds may only be used to pay tuition and fees.
- A nondiscounted refund may be made if the beneficiary graduates early from college. Under current law, a nondiscounted refund is only available in the event of scholarship, tuition remission, death, or disability.
- Funds may be transferred from the Maryland Prepaid College Trust to any other qualified state tuition program or from any other qualified state tuition program to the Maryland Prepaid College Trust, in accordance with federal law.

Creation of the Maryland College Investment Plan

Senate Bill 140/House Bill 11 create the Maryland College Investment Plan to allow contributions to an investment account established for the purposes of meeting the Qualified Higher Education Expenses of the designated beneficiary of the account. While the Maryland Prepaid College Trust is a defined benefit plan under which the contract benefits are based on tuition, benefits of the Maryland College Investment Plan are based solely on investment performance. Set payments are not required.

The Maryland College Investment Plan is to be administered, managed, promoted, and marketed by the Maryland Higher Education Investment Board in compliance with Internal Revenue Service standards for QSTPs. The board may outsource the administration, management, promotion, or marketing of the program. The program must reimburse the State for any start-up expenses paid by the State. There is no State residency requirement for participation. The assets and obligations of the program are not in any way guaranteed by the State. The board must adopt procedures to ensure that contributions to the program do not exceed the maximum amount allowed under federal law.

Tax benefits of the Maryland College Investment Plan are similar to those for the Maryland Prepaid College Trust. For further discussion of these tax benefits, see Part Q3 - Income Taxes of *The 90 Day Report*.

Student Financial Assistance and Scholarships

Maryland Teacher Scholarships

The Maryland Teacher Scholarship Program, which was implemented in fiscal 2000, is designed to increase the number of primary and secondary education teachers. To qualify for a scholarship under the program, a student must:

- be a Maryland resident;
- be accepted for admission as a full-time undergraduate student or be currently enrolled at a State institution of higher education as a full-time undergraduate student pursuing a course of study leading to a Maryland professional teacher's certificate;
- have earned a grade point average of at least 3.0 on a 4.0 scale; and
- agree to work as a public school teacher in the State after graduation for one year for each year that the scholarship was awarded or repay the funds received plus interest.

Senate Bill 205/House Bill 281 (both passed) increase the annual award amount for the Maryland Teacher Scholarship Program from \$1,000 to \$2,000 for a student enrolled at a two-year eligible institution and from \$3,000 to \$5,000 for a student enrolled in a four-year eligible institution. The legislation also permits a recipient of an Educational Excellence Award to also receive a Maryland Teacher Scholarship Award or a Maryland HOPE Scholarship Award.

As a result of the legislation, it is estimated that general fund expenditures for scholarship awards for the Maryland Teacher Scholarship Program, the Maryland

Science and Technology Scholarship Program, and the Maryland HOPE Scholarship Program will increase by \$3.8 million in fiscal 2001 to \$16.7 million.

Maryland Dent-Care Program

Senate Bill 519/House Bill 543 (both passed) establish the Maryland Dent-Care Program, which provides higher education loan repayment assistance grants to Maryland dentists who demonstrate financial need and agree that at least 30 percent of their patients will be Medicaid enrollees. The program's purpose is to increase access to oral health services for underserved Medicaid recipients by increasing the number of dentists who treat that population. Grants may be awarded to up to five new participants each year, with a maximum of 15 participants in the program including participants receiving renewal grants. The maximum grant amount is \$33,000 per year. A participant who fails to comply with the program's requirements must repay loan amounts received.

Community College Transfer Scholarship Program

Designed to assist community college students who are completing their associate degrees and transferring to a four-year institution, *House Bill 476/Senate Bill 697 (both passed)* establish the Community College Transfer Scholarship Program. This program is modeled after the HOPE Scholarship Program established in the 1999 session. Costs for the program are estimated at \$4.2 million for fiscal 2002, increasing to \$9.1 million for fiscal 2005. To qualify for a scholarship under the Community College Transfer Scholarship Program, an applicant must:

- be a Maryland resident;
- be a student at a Maryland community college;
- maintain a 3.0 grade point average while attending community college;
- have completed at least 60 credits at community college or have earned an associate's degree by the end of the semester in which the applicant plans to transfer to a four-year institution;
- be accepted for admission and intend to enroll in a degree program at a Maryland four-year private or public institution of higher education; and
- have an annual total family income of \$80,000 or less.

The annual award amount is \$3,000. An award may be used only for tuition and fees at a Maryland four-year private or public institution. A student must pledge to live and work in the State after completion of undergraduate studies for one year for each year that an award was received. A recipient may fulfill the employment obligation

out-of-state if the recipient was employed out-of-state at the time the recipient received the scholarship, continues employment with the same employer while receiving the scholarship, and continues employment with the same employer after completion of the recipient's undergraduate studies. A recipient who fails to fulfill program requirements must repay scholarship funds received plus interest.

Waiver of Tuition and Fees - Foster Care Recipients

Senate Bill 181 (passed) exempts certain foster care recipients from the payment of tuition and fees at public institutions of higher education. The legislation applies to individuals who reside in a foster care home in Maryland on or after their eighteenth birthday and individuals who resided in foster care as of their fourteenth birthday, but were adopted after that birthday.

To become eligible for the tuition waiver, a foster care recipient must be enrolled in a public higher education institution in an associate or bachelor's degree program by the time the recipient becomes 21 years old. A recipient must also file for federal and State financial aid each year. The waiver applies to any tuition and fees not covered by financial aid. The waiver is effective for five years or until the recipient is awarded a bachelor's degree, whichever occurs first.

Repayment Obligations

To assist in making the State scholarship programs with service obligations more attractive to students in Maryland, *House Bill 152 (passed)* eases the requirements for repayment by students who default on the service requirements of the programs. Under current law, the interest rate on the repayment obligation for scholarships that include a service obligation is the prime rate plus 2 percent. Currently, this interest rate is 11 percent and has proven to be a deterrent to students considering the State's HOPE Scholarship Program. Accordingly, this bill requires that the interest rate on repayment obligations for scholarships that include a service obligation be calculated at an interest rate equal to that of the federal Stafford loan, which currently is about 7 percent. The bill applies retroactively to any applicable scholarship recipient who is in good standing under the scholarship program as of July 1, 2000.

Retention of Unused Funds

House Bill 1231 (passed) provides that all State scholarship appropriations that are not used by the end of the fiscal year may not revert to the State treasury, but must be used to make awards to students under need-based scholarship programs during subsequent fiscal years and may not be used for administrative expenses.

Under current law, with the exception of the Educational Excellence Award Program, the Senatorial Scholarship Program, and the Delegate Scholarship Program, State scholarship appropriations that are not used by the end of the fiscal year revert to the State treasury. The Senatorial and Delegate Scholarships have separate provisions for unused funds.

Community Colleges

State Funding

Beginning with fiscal 2003, *Senate Bill 89/House Bill 311 (both passed)* increase the amount of supplemental unrestricted grants that are currently distributed to seven small community colleges. The legislation increases from \$400,000 to \$500,000 the amount of the unrestricted grant that is distributed to each of the following three community colleges: (1) Allegany Community College; (2) Garrett Community College; and (3) Hagerstown Community College. The bill also increases from \$200,000 to \$250,000 the amount of the unrestricted grant that is distributed to each of the following four community colleges: (1) Carroll Community College; (2) Cecil Community College; (3) Chesapeake College; and (4) Wor-Wic Community College.

Beginning in fiscal 2004, the grant amounts will increase by the same percentage as the percentage increase in funding per full-time equivalent student to the State four-year public institutions of higher education. The Maryland Higher Education Commission must periodically review the grant amounts to determine whether they are appropriate in light of specified factors.

The General Assembly passed legislation that authorized the current unrestricted grants in 1998 (Chapter 570). Under current law, these grants will terminate on June 30, 2002.

Tuition and Fees for Nonresident Students

High tuition charged to out-of-state students by the community colleges near the State's borders has impeded the ability of those community colleges to attract students and diminished the enrollments at those institutions in recent years.

House Bill 192 (passed) reduces the amount of tuition and fees that a local community college must charge to nonresident students. Under current law, colleges are required to charge out-of-state students the full cost of education (i.e., in-State tuition plus the State and local contributions per full-time equivalent student). The legislation also permits a community college board of trustees to waive the out-of-state fee and the out-of-county/region fee for a student who is employed by a business located in the county that supports the community college.

Regional Higher Education Centers

A regional higher education center includes participation from two or more institutions of higher education in the State and provides an array of higher education program offerings and multiple degree levels. The purpose of these centers is to provide Maryland citizens with access to affordable higher education programs in unserved and underserved regions of the State and to respond to needs of business and industry. There are five regional higher education centers in Maryland: the Downtown Baltimore Center, the Higher Education and Applied Technology Center in northeastern Maryland, the Shady Grove Educational Center in Montgomery County, the Southern Maryland Higher Education Center, and the Waldorf Center in Charles County. Two new centers have been proposed: the Eastern Shore Higher Education Center, expected to open in the fall of 2002, and the Hagerstown Educational Center, expected to open in the fall of 2001.

Under current law, the State's role in coordinating higher education centers is limited, although the Maryland Higher Education Commission (MHEC) does have some authority over the content of educational programs offered at regional higher education centers. During the 1999 interim, MHEC established a work group to consider policy issues relating to regional higher education centers. A proposal for policies and guidelines was presented to the Strategic Committee on the State Plan on November 17, 1999. **Senate Bill 603 (passed)** reflects the view that regional higher education centers should be more closely connected to statewide higher education planning and that consultation should be sought regarding how centers can best meet the educational needs of the region's residents.

Senate Bill 603 establishes the roles and responsibilities of MHEC in coordinating regional higher education centers and includes regional higher education centers in the Maryland Charter for Higher Education. The legislation requires each regional higher education center that requests or receives State financial support to submit a mission statement to MHEC. These mission statements must be approved by MHEC to ensure that they are consistent with the State Plan for Higher Education. To effectively coordinate the regional centers, MHEC is authorized to require submission of strategic plans and to ensure that courses and programs are within the scope of the approved regional higher education center's mission. In addition, the governing body of a regional higher education center must submit its annual operating budget and capital project requests to MHEC. The legislation authorizes MHEC to review proposals for capital projects and improvements proposed by regional higher education centers and develop and submit to the Governor and the General Assembly recommendations as to these projects.

Task Force to Study College Readiness for Disadvantaged and Capable Students

The Southern Education Foundation (SEF) has promoted educational equity and equality in education in the South for over 100 years. The organization published two comprehensive reports on the status of minorities in public higher education. The first report, called "Redeeming the American Promise" was published in 1995. It reported on the status of minorities in higher education in 12 of the 19 states (including Maryland) that at one time maintained dual "separate but equal" systems of higher education. SEF developed a follow-up report entitled "Miles To Go" in 1998 which analyzed the status of African Americans in higher education in all 19 states. The "Miles To Go" report indicated that Maryland has made significant progress in enhancing educational achievement and equality, however, there is much progress that still must be made.

As part of the SEF structure, the Maryland SEF Leadership Group, consisting of legislators, educators, and other policy makers, has been functioning for the past three years. The local group prepared a report called "Miles To Go in Maryland." This report measured the proportion of African-American middle school students who attain a baccalaureate degree and focused on key issues to increase the number of students that eventually receive a degree. The three issues are college readiness, teacher preparation, and financial aid.

"Miles To Go in Maryland" and a campaign action plan entitled "The Road Taken" recommend new initiatives for enhancing minority educational attainment. To conduct a complete review and study of these recommendations, **House Bill 1091 (passed)** establishes a 29-member Task Force to Study College Readiness for Disadvantaged and Capable Students. The task force must develop a comprehensive strategy to ensure that disadvantaged and capable students have adequate opportunities to successfully matriculate and graduate from institutions of higher education. The task force must submit an interim report to the Governor and the General Assembly in January 2001, and a final report in December 2001. The task force terminates on May 31, 2002.

Part M

Human Resources

Social Services - Generally

Welfare

Since January 1995, Maryland's Temporary Cash Assistance (TCA) caseload has declined almost 65 percent. Strong economic growth and low unemployment rates, along with legislatively mandated efforts to assist welfare recipients in finding employment, have made the transition from welfare to work possible. The Job Skills Enhancement Pilot Program created in 1998, for example, continues to provide training to newly employed current and former TCA recipients, which fulfills the General Assembly's intent to "make work pay."

Since 1996's historic welfare reform legislation, Maryland continues to enhance services and benefits for families in need of public assistance. **House Bill 1160 (passed)** is an omnibus bill that continues the State's commitment to assist families receiving public assistance to become gainfully employed and to provide enhanced services in an efficient and effective manner. Expanding on previous legislation that encourages State agencies to hire individuals on public assistance, this bill requires the Department of Human Resources (DHR) and directors of local departments of social services to work with local governments to develop plans for the hiring of Family Investment Program participants by local governments. The bill eliminates the two-week delay in receiving cash assistance and opts out of a federal provision that denies welfare benefits and food stamps to individuals convicted of a felony involving the possession of a controlled dangerous substance. Resident custodial parents convicted of such a felony are now eligible, subject to testing, to receive cash assistance and food stamps. However, custodial parents will lose eligibility for these benefits for one year and will be required to undergo two years of drug testing, and treatment if appropriate, if convicted of a drug related felony while receiving benefits.

Because of the inability of DHR, the Department of Health and Mental Hygiene (DHMH), and managed care organizations to effectively implement the substance abuse screening process created by the General Assembly in 1997, **House Bill 1160** alters the substance abuse screening process. The bill places an addictions specialist in every local department of social services to screen for substance abuse, and refer for treatment, when appropriate. Also, **House Bill 1160** encourages a more effective and efficient social services workforce by developing six demonstration sites where local department Family Investment Program employees can earn pay incentives based on performance.

Programs for Low-Income Families

Senate Bill 514/House Bill 501 (both passed) establish a technical assistance program in the Department of Housing and Community Development (DHCD) to provide grants to low-income families for home-ownership opportunities through self-help rehabilitation and construction. Local jurisdictions and nonprofit organizations may apply for technical assistance grants, which must be used for assistance, training, and supervision on self-help construction activities and techniques and for project development. In support of project development, grants can be used for the preparation of plans for self-help housing, contracts for professional services, application for project funding, packaging households' applications for assistance, preparation of subdivision maps, review of engineering plans and specifications for construction and rehabilitation projects, and compliance with appropriate requirements of funding agencies and local governments.

House Bill 640 (failed) would have established a five-year Individual Development Account demonstration program under DHR to educate low-income working individuals in financial literacy. The program would have encouraged low-income families to establish savings accounts and invest in home ownership, vocational education, or starting a business. **Senate Bill 412/House Bill 8 (both failed)** would have required the Maryland Higher Education Commission to administer a program that provides funding for job training advance accounts to low-income families pursuing job training programs at community colleges.

Child Welfare

Substance Abuse Treatment Programs

There has been little coordination between the child welfare and drug treatment communities in Maryland. Yet, studies demonstrate that substance abuse is a key factor contributing to the abuse and neglect of children and the growing ranks of out-of-home placements. *Senate Bill 671/House Bill 7 (both passed)* integrate child welfare and substance abuse programs by providing the necessary link to ensure that appropriate substance abuse treatment is available to all parents of children entering foster care or at risk of out-of-home placement.

Provisions in the bills require the Secretaries of DHR and DHMH, in consultation with a broad range of child welfare professionals, to develop a statewide protocol for integrating child welfare and substance abuse treatment services before December 1, 2000. *Senate Bill 671/House Bill 7* require the development of protocols placing qualified addictions specialists in all child welfare offices and assuring that parents are screened for substance abuse in all child abuse and neglect cases. Other aspects of the protocol include the following: (1) specifying the circumstances when a local department shall include in a child in need of assistance petition a request for court-ordered comprehensive drug and alcohol assessment and testing; (2) establishing procedures for notifying the local department of social services of the results of substance abuse assessment and testing; (3) notifying an at-risk parent of the availability of substance abuse treatment; and (4) ensuring routine consultation and reevaluation of progress in substance abuse treatment as each child welfare case proceeds. The bill also provides for cross-training for all child welfare and substance abuse treatment personnel and a plan for providing financial incentives for both child welfare and addictions personnel who achieve specified levels of expertise.

Staff-to-Caseload Reductions

In recent years the General Assembly has focused special attention on the increasing number of child welfare cases in the State. In 1998, legislation was passed to address the rising caseload-to-staff ratios for child welfare, which includes children in protective services, family preservation, foster care, and kinship care. Taking the first step in child welfare caseload reform, Chapter 544 of the Acts of 1998 limited child welfare staff positions to persons with specialized higher education credentials and required DHR to develop a plan to reduce the staff-to-caseload ratios for child welfare cases. The fiscal 2000 appropriation for DHR contained \$14.1 million to implement the provisions of this legislation. Since that time, however, caseload-to-staff ratios have remained high.

Senate Bill 728/House Bill 903 (both failed) would have required the Governor to provide in the State budget additional positions of qualified caseworkers and casework supervisors necessary to attain certain specified caseload ratios in all jurisdictions, as recommended by a 1997 Child Welfare League of America Report. These caseload ratios would be phased in over a three-year period, fiscal 2002 through 2004. Although these two bills failed, budget language requires the Department of Human Resources and the Department of Budget and Management to submit a report to the budget committees on a plan for implementing the Child Welfare League recommended caseload-to-staff ratios by June 2003.

The Elderly

Assistance Card Programs

Senate Bill 50 (passed) repeals the mandate that the Department of Aging (DOA) administer a "Golden Age Card" Program. This is a voluntary assistance program for individuals who are at least 65 years old or disabled. The assistance often takes the form of a discount or similar benefit. The development of similar programs in the private sector has resulted in dwindling participation in the program.

The program was established in 1982 to promote recognition of the fixed income status of older or disabled adults and to encourage businesses to voluntarily offer discounts or other assistance with proof of age or disability. Under the program, the Secretary of Aging is required to issue a Golden Age Card on request to eligible individuals for a \$1 fee. The DOA advises that approximately 52 Golden Age Cards are issued each year.

Senate Bill 50 requires the Office of Individuals with Disabilities (OID) to establish a "Disability Access Card" Program under which the director of the office would encourage voluntary programs to provide assistance to disabled residents who hold a Disability Access Card. The director may not charge a fee for the card, and based on DOA records, the OID is expected to receive no more than two requests per year for the "Disability Access Card".

The Disabled

Attendant Care Program

The Attendant Care Program provides support for the cost of attendant care for persons 18 to 64 years of age who have chronic or severe permanent physical disabilities. The service increases the ability of its clients to remain functional, self-sufficient, and avoid nursing home placement through assistance with bathing, clothing, feeding, and transportation. The Department of Human Resources (DHR) currently serves 51 people. Under current law, DHR may not use Attendant Care Program funds for administrative costs if the program is administered and operated by DHR. **Senate Bill 151 (passed)** deletes the restrictive language relating to administrative costs.

Guardianship

Legislation enacted in 1994 authorized directors of area agencies on aging, upon appointment by a court as guardian of the person of a disabled individual, to delegate responsibilities of guardianship to staff persons whose names and positions have been registered with the court. Legislation enacted in 1997 gave the same authority to directors of local departments of social services. **Senate Bill 43 (passed)** extends that authority to the Secretary of Aging.

The Disabled Elderly

Many of the State's disabled elderly are in assisted living or nursing home facilities. **House Bill 634/Senate Bill 689 (passed)** strengthens the State's regulation of nursing homes. It revises the current law that allows the Department of Health and Mental Hygiene to take corrective action where a potential for more than minimal or actual harm to a resident exists. Additional legislation requires nursing homes to establish and implement a quality assurance program - **House Bill 747 (passed)**; creates an Oversight Committee on Quality of Care in Nursing Homes with public and private membership - **House Bill 748/Senate Bill 698 (both passed)**; and alters inspection requirements for nursing home facilities **House Bill 749/Senate Bill 688 (both passed)**.

House Bill 784/Senate Bill 794 (passed) expresses legislative intent that the Governor supplement the Medicaid reimbursement formula under the nursing service cost center in fiscal 2002 and 2003 to enable nursing homes to hire more nursing staff, increase salaries, and ultimately increase the number of direct care hours provided to nursing home residents. For a more detailed discussion of these and other relevant bills, see Section J-3, Health Care Facilities.

Children

Judith P. Hoyer Early Child Care and Education Enhancement Program

Senate Bill 793/House Bill 1249 (both passed) establish the Judith P. Hoyer Early Child Care and Education Enhancement Program to promote school readiness through developing and expanding full-day early child care and education programs and family support services. For a more detailed discussion of **Senate Bill 793/House Bill 1249**, please see Part L - Education.

Judith P. Hoyer Blue Ribbon Commission on the Financing of Early Child Care and Education

In 1999, the average annual cost of child care for a child under the age of five was \$6,112. As the demand for child care has grown and the costs have increased, there has been growing interest, at many levels, in finding creative financing sources. **Senate Bill 869/House Bill 1284 (both passed)** establish a 25-member Judith P. Hoyer Blue Ribbon Commission on the Financing of Early Child Care and Education. The purpose of the commission is to study the costs and availability of funding for early child care.

The commission shall submit to the Governor and the General Assembly an interim report by December 31, 2000, and a final report by December 31, 2001. For a more detailed discussion of *Senate Bill 869/House Bill 1284*, please see Part L - Education.

Child and Dependent Care Tax Credits

Senate Bill 335 (passed) increases both the maximum income levels for purposes of determining eligibility for the tax credit for qualifying child and dependent care expenses credit, and the amount of the credit, beginning in the year 2001. For a more detailed discussion of *Senate Bill 335*, please see Part B - Taxes.

Family Law - Child Support Guidelines

The Maryland Child Support Guidelines were enacted in 1989 as an emergency measure that was advisory only. In response to subsequent federal legislation which required the states to adopt presumptive child support guidelines, the General Assembly enacted legislation in 1990 making application of the guidelines mandatory rather than discretionary. The 1990 Act also established a rebuttable presumption that the amount of support resulting from the application of the guidelines is the correct amount to be awarded. The presumption may be rebutted by evidence of an unjust or inappropriate application of the guidelines in a particular case. A recent Court of Special Appeals decision, *Dunlap v. Fiorenza*, 128 Md. App. 357 (1999), held that when determining whether application of the guidelines would be unjust or inappropriate, one of the factors that a court may consider is the presence of other children in the household of either parent to whom that parent owes support.

House Bill 396 (passed) clarifies the *Dunlap* decision by providing that when making a determination of whether the court's guidelines may be rebutted as unjust or inappropriate in a child support award case, a court must not base a rebuttal decision solely on either parent's duty to support other children in the household. The bill only applies to those cases filed on or after the bill's October 1, 2000, effective date. For a more detailed discussion of *House Bill 396*, please see Part F - Courts and Civil Proceedings.

Family Day Care Providers

The Family Day Care Provider Direct Grant Program was first established as a pilot program in 1991, to aid family day care providers in meeting the costs associated with being registered by the State. The program was reestablished in 1994 and again in 1997. The program seeks to encourage day care providers to register with the Child Care Administration and discourage delinquent providers from operating illegally. *Senate Bill 65 (passed)* removes the sunset provision from the Family Day Care Provider Direct Grant Fund Program within the Department of Human Resources and continues the program indefinitely.

Advisory Council on Attention Deficit Hyperactivity Disorder

Attention Deficit Hyperactivity Disorder (ADHD) is a disorder characterized by behavior and attention difficulties that are exhibited in multiple settings, but most prominently in the classroom. The disorder begins in childhood, is identified by difficulty in paying attention, hyperactivity, and impulsiveness, and has been treated using pharmaceuticals such as methylphenidate. In 1997, the General Assembly established the Task Force to Study the Uses of Methylphenidate and Other Drugs on School Children. The task force submitted its final report in March 1999, and made several recommendations for the educational and medical communities and support of families.

Senate Bill 742/House Bill 694 (both passed) establish a 25-member Advisory Council on Attention Deficit Hyperactivity Disorder to ensure the development of guidelines and uniform principles regarding the diagnosis and treatment of ADHD and to promote greater understanding among parents, the medical community, and schools to effectively address this disorder. The advisory council must submit an annual report of its findings and recommendations to the Governor and the General Assembly. The Office of Children, Youth, and Families shall coordinate the staffing of the advisory council and execute a Memorandum of Understanding among the office, the Department of Health and Mental Hygiene (DHMH), and the Maryland State Department of Education (MSDE), to

determine whether DHMH or MSDE should provide staffing for the advisory council.

Task Force on the Licensing and Monitoring of Community-Based Homes for Children

Under current law, residential child care facilities and programs are licensed and regulated by a number of different State agencies. *Senate Bill 394 (failed)* would have established a 15-member task force to evaluate the licensing and monitoring of residential child care programs, licensed by the Departments of Human Resources, Juvenile Justice, and Health and Mental Hygiene. The task force would have been required to make recommendations for improving facility oversight and for eliciting and responding to citizen concerns about the facilities.

Maryland Youthbuild

Senate Bill 517/House Bill 1182 (both failed) would have established the Youthbuild Program, which was intended to encourage unemployed young adults to rebuild their communities and their lives through a commitment to work, education, responsibility, and family. The program would have granted funds to: (1) provide education, job training, counseling services, and leadership development training to program participants; and (2) construct and rehabilitate housing for disadvantaged persons. Program participants would have been eligible for a training stipend for the time spent at a worksite in construction training. Individuals would have had to participate in a youthbuild program for at least six months, but no longer than two years. Grantees would also have been required to assist graduates of youthbuild programs to find permanent employment.

Synopsis of Passed Bills

Part A
Budgets and State Aid

- SB 23 **Creation of a State Debt -- Anne Arundel County -- Anne Arundel Medical Center**
Authorizing the creation of a State Debt not to exceed \$250,000, the proceeds to be used as a grant to the Board of Directors of Anne Arundel Medical Center, Inc. for the planning, design, renovation, repair, construction, and capital equipping of the emergency department of Anne Arundel Medical Center, subject to a requirement that the grantee provide and expend a matching fund; and providing generally for the issuance and sale of bonds evidencing the loan.
EFFECTIVE JUNE 1, 2000
Senator Astle
- SB 68 **Creation of a State Debt -- Calvert County -- Battle Creek Nature Education Society Environmental Education Center**
Creating a State Debt not to exceed \$100,000, with a matching fund requirement, the proceeds to be used as a grant to the Board of Directors of the Battle Creek Nature Education Society for the planning, design, construction, and capital equipping of an environmental education center at Flag Ponds Nature Park in Calvert County.
EFFECTIVE JUNE 1, 2000
Senators Miller and Dyson
- SB 93 **Baltimore City -- King Memorial Child Care Family Center Loan of 1998**
Amending Chapter 199 of the Acts of the General Assembly of 1998, the Baltimore City -- King Memorial Child Care Family Center Loan of 1998, to extend the time by which the grantee shall provide evidence that a matching fund will be provided.
EFFECTIVE JUNE 1, 2000
Senators Blount and Kelley
- SB 95 **Creation of a State Debt -- Carroll County -- General Hospital, Inc.**
Authorizing the creation of a State Debt not to exceed \$640,000, the proceeds to be used as a grant to the Board of Directors of Carroll County General Hospital, Inc. for the planning, design, renovation, repair, construction, and capital equipping of the family birth place, to be located at 200 Memorial Avenue in Westminster, subject to a requirement that the grantee provide and expend a matching fund; and providing generally for the issuance and sale of bonds evidencing the loan.
EFFECTIVE JUNE 1, 2000
Carroll County Senators
- SB 113 **Anne Arundel County -- Carrie Weedon Science Center Loan of 1999**
Amending Chapter 293 of the Acts of the General Assembly of 1999, the Anne Arundel County -- Carrie Weedon Science Center Loan of 1999, to allow the use of in kind contributions as matching funds.
EFFECTIVE JUNE 1, 2000
Senators Astle and Miller
- SB 121 **Creation of a State Debt -- Baltimore City -- South Baltimore Learning Center**
Authorizing the creation of a State Debt not to exceed \$350,000, the proceeds to be used as a grant to the Board of Directors of the South Baltimore Learning Corporation for the planning, design, construction, repair, renovation, and capital equipping (including the upgrading of handicapped--accessibility fixtures) of, and the addition of an elevator to, the South Baltimore Learning Center, subject to a requirement that the

grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000

Senator Della

SB 134 Creation of a State Debt -- Howard County Conservancy Ho. Co. 11--00

Authorizing the creation of a State Debt not to exceed \$150,000, with a matching fund requirement, to be used as a grant to the Board of Trustees of the Howard County Conservancy, Inc. for the planning, design, construction, and capital equipping of an educational facility on the grounds of Mount Pleasant, a historic estate located in Howard County; etc.

EFFECTIVE JUNE 1, 2000

Senator McCabe, et al

SB 150 Budget Bill (Fiscal Year 2001)

Making the proposed appropriations contained in the State Budget for the fiscal year ending June 30, 2001, in accordance with Article III, Section 52 of the Maryland Constitution; etc.

The President (Administration)

SB 193 Baltimore City -- Fort McHenry -- Education and Visitors Center Loan of 1996

Amending Chapter 123 of the Acts of the General Assembly of 1996, as amended by Chapter 26 of the Acts of the General Assembly of 1998, to extend the time by which the Board of Directors of the Patriots of Fort McHenry, Inc. shall provide and expend a matching fund, for the Education and Visitors Center Loan of 1996, to June 1, 2002.

EFFECTIVE JUNE 1, 2000

Senator Della

SB 225 Creation of a State Debt -- Maryland Consolidated Capital Bond Loan of 2000, the Maryland Consolidated Capital Bond Loans of 1992, 1994, 1996, 1997, 1998, and 1999, and the General Construction Loan of 1982

Authorizing the creation of a State Debt in the amount of \$428,623,000 for specified purposes; altering provisions of prior capital budgets; etc.

EFFECTIVE JUNE 1, 2000

The President (Administration)

SB 254 Creation of a State Debt -- Baltimore City -- U.S.S. Constellation

Authorizing the creation of a State Debt not to exceed \$475,000, the proceeds to be used as a grant to the Board of Directors of the Constellation Foundation, Inc. for the design, repair, restoration, improvement, and preservation of the U.S.S. Constellation, subject to a requirement that the grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000

Senator Bromwell

SB 256 Creation of a State Debt -- St. Mary's County -- Summerseat Sanctuary

Authorizing the creation of a State Debt not to exceed \$200,000, the proceeds to be used as a grant to the Board of Directors of Summerseat Sanctuary, Inc. for the acquisition of Summerseat Sanctuary, to be used as an animal sanctuary and environmental interactive education center for residents throughout Maryland with a special emphasis on school children and persons who are developmentally disabled, subject to a requirement that the grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000

Senator Dyson

SB 279 Creation of a State Debt -- Baltimore County -- PACT: Helping Children with Special Needs

Authorizing the creation of a State Debt not to exceed \$350,000, the proceeds to be used as a grant to the Board of Directors of PACT: Helping Children with Special Needs, Inc. for the construction and capital equipping of a new building for PACT: Helping Children with Special Needs, a therapy outreach center for children in Baltimore, subject to a requirement that the grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000

Senator Kelley, et al

SB 291 Creation of a State Debt -- Baltimore City -- Lyric Opera House

Authorizing the creation of a State Debt not to exceed \$500,000, the proceeds to be used as a grant to the Board of Directors of the Lyric Foundation, Inc. for the expansion and capital equipping of the stage and the stage housing, the expansion of the freight elevator, and the construction and capital equipping of dressing rooms, offices, multiple use facilities, and a passenger elevator at the Lyric Opera House in Baltimore City, subject to a requirement that the grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000

Senator McFadden

SB 304 Creation of a State Debt -- Baltimore City -- Greektown Plateia

Authorizing the creation of a State Debt not to exceed \$400,000, the proceeds to be used as a grant to the Board of Trustees of St. Nicholas Greek Orthodox Church, Inc. for the planning, design, construction, and capital equipping of the Greektown Plateia, to be located in Baltimore, subject to a requirement that the grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000

Senator Sfikas, et al

SB 326 Creation of a State Debt -- Prince George's County -- Prince George's Hospital Center, Inc.

Authorizing the creation of a State Debt not to exceed \$1,000,000, the proceeds to be used as a grant to the Board of Directors of Prince George's Hospital, Inc. for the planning, design, renovation, repair, construction, and capital equipping of the obstetrical triage, labor and delivery, postpartum, nursery, and neonatal intensive care areas, to be located in Cheverly, subject to a requirement that the grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000

Senator Dorman, et al

SB 327 Creation of a State Debt -- Anne Arundel County -- Community Center at Woods

Authorizing the creation of a State Debt not to exceed \$500,000, the proceeds to be used as a grant to the Board of Directors of Woods Community Center, Inc. for the planning, design, construction, renovation, and capital equipping of the Community Center at Woods, located in Severna Park, subject to a requirement that the grantee provide and expend a matching fund; providing that no proceeds of the loan or any matching funds may be used for religious purposes; etc.

EFFECTIVE JUNE 1, 2000

Senator Neall

SB 351 Creation of a State Debt -- Baltimore County -- Mars Estates Elementary Police Athletic League/Recreation Center

Authorizing the creation of a State Debt not to exceed \$575,000, the proceeds to be used as a grant to the County Council and the County Executive of Baltimore County for the planning, design, construction, and capital equipping of a facility located at 1500 Homberg Avenue, Baltimore, for use as a Police Athletic League/Recreation Center, subject to a requirement that the grantee provide and expend a matching fund; and providing generally for the issuance and sale of bonds evidencing the loan.

EFFECTIVE JUNE 1, 2000

Senator Collins (Baltimore County Administration)

- SB 397 Creation of a State Debt -- Baltimore City -- The League for People with Disabilities, Inc.**
Authorizing the creation of a State Debt not to exceed \$400,000, the proceeds to be used as a grant to the Board of Directors of The League for People with Disabilities, Inc. for the construction, repair, reconstruction, and capital equipping of The League for People with Disabilities, Inc. facility, located at 1111 East Cold Spring Lane, Baltimore, subject to a requirement that the grantee provide and expend a matching fund; and providing generally for the issuance and sale of bonds evidencing the loan.
EFFECTIVE JUNE 1, 2000
Senator Conway
- SB 438 Creation of a State Debt -- Cecil County -- Town of Elkton**
Authorizing the creation of a State Debt in the amount of \$650,000, the proceeds to be used as a grant to the Mayor and Commissioners of the Town of Elkton for the placement of underground utilities, to be located beneath Main Street in Elkton; etc.
EFFECTIVE JUNE 1, 2000
Senator Baker
- SB 444 Stanton Center Loan of 1998**
Amending Chapter 186 of the Acts of the General Assembly of 1998, the Stanton Center Loan of 1998, to change the location of the project from Clay Street to West Washington Street in the City of Annapolis and to extend the time by which the grantee shall provide and expend a matching fund to June 12, 2001; etc.
EFFECTIVE JUNE 1, 2000
Senator Astle
- SB 470 Creation of a State Debt -- Dorchester County -- Meredith House**
Creating a State Debt not to exceed \$100,000, with a matching fund requirement, as a grant to the Board of Trustees of the Dorchester County Historical Society, Inc. for the design, construction, repair, renovation, reconstruction, and capital equipping of the Meredith House, the primary museum building on the LaGrange Plantation, subject to a requirement that the grantee provide and expend a matching fund; etc.
EFFECTIVE JUNE 1, 2000
Senator Colburn
- SB 501 Creation of a State Debt -- Prince George's County -- Potomac Curling Club of the National Capital Area, Inc.**
Authorizing the creation of a State Debt not to exceed \$250,000, the proceeds to be used as a grant to the Board of Directors of the Potomac Curling Club of the National Capital Area, Inc. for the construction, reconstruction, renovation, repair, and capital equipping of a building to be used as a curling facility, subject to a requirement that the grantee provide and expend a matching fund; etc.
EFFECTIVE JUNE 1, 2000
Senator Dorman
- SB 506 Creation of a State Debt -- Montgomery County -- Alpha Phi Alpha Smithville School Museum**
Authorizing the creation of a State Debt not to exceed \$250,000, the proceeds to be used as a grant to the Board of Directors of Iota Upsilon Lambda, Inc. for the planning, design, construction, reconstruction, repair, renovation, and capital equipping of buildings located in Colesville, for use as a museum, educational center, and community and meeting center, subject to a requirement that the grantee provide and expend a matching fund; etc.
EFFECTIVE JUNE 1, 2000
Senator Ruben
- SB 544 Creation of a State Debt -- Baltimore City -- Grace Outreach Center**

Authorizing the creation of a State Debt not to exceed \$150,000, the proceeds to be used as a grant to the Board of Directors of Grace Outreach Development Corporation, Inc. for the planning, design, construction, and capital equipping of the Grace Outreach Center, subject to a requirement that the grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000

Senator Hughes, et al

SB 582 Creation of a State Debt -- Anne Arundel County -- Heritage Harbour Respite Care Home

Authorizing the creation of a State Debt not to exceed \$150,000, the proceeds to be used as a grant to the Board of Directors of Heritage Harbour Health Group, Inc. for the construction and capital equipping of a respite care home in Annapolis, subject to a requirement that the grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000

Senator Neall

SB 595 Montgomery County -- Joseph White House Loan of 1998

Amending Chapter 304 of the Acts of the General Assembly of 1998, Montgomery County -- Joseph White House Loan of 1998, to change the grantee from the Board of Directors of the Parks Foundation, Inc. to the Maryland--National Capital Park and Planning Commission and extend the time by which the grantee shall provide and expend a matching fund to June 1, 2001; etc.

EFFECTIVE JUNE 1, 2000

Senator Ruben

SB 604 Creation of a State Debt -- Charles County -- Port Tobacco Players Theater

Authorizing the creation of a State Debt not to exceed \$400,000, the proceeds to be used as a grant to the Board of Directors of Port Tobacco Players, Inc. for the acquisition, planning, design, construction, renovation, and capital equipping of the Port Tobacco Players Theater, to be located in La Plata, subject to a requirement that the grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000

Senator Middleton

SB 617 Department of Aging -- Senior Citizens Activities Center Operating Fund

Creating a Senior Citizens Activities Center Operating Fund; providing for the administration of the Fund; providing for distributions from the Fund to counties for senior citizens activities centers; requiring the Governor to include \$500,000 in the State budget for fiscal year 2002 and every fiscal year thereafter; etc.

EFFECTIVE JUNE 1, 2000

Senator Hoffman

SB 631 Creation of a State Debt -- Allegany County -- Western Maryland Scenic Railroad

Authorizing the creation of a State Debt not to exceed \$175,000, the proceeds to be used as a grant to the Board of Directors of Western Maryland Scenic Railroad Development Corporation for the acquisition of land and a turntable for, and the repair, reconstruction, and renovation of a steam engine, diesel engines, and passenger cars for, the Western Maryland Scenic Railroad, based in Cumberland, subject to a requirement that the grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000

Senator Hafer

SB 634 Garrett County -- Garrett Information Enterprise Center Loan of 1998

Amending Chapter 310 of the Acts of the General Assembly of 1998, the Garrett County Information Enterprise Center Loan of 1998, to extend the date by which the grantee must provide and expend a matching fund from June 1, 2000, to June 1, 2002.

EFFECTIVE JUNE 1, 2000

Senator Hafer

SB 657 Creation of a State Debt -- Frederick County -- Weinberg Center for the Arts

Authorizing the creation of a State Debt not to exceed \$200,000, the proceeds to be used as a grant to the Mayor and Board of Aldermen of the City of Frederick for the acquisition, renovation, repair, reconstruction, and capital equipping of a facility located in Frederick, for the Weinberg Center for the Arts, subject to a requirement that the grantee provide and expend a matching fund; providing that the grantee must grant and convey a preservation covenant to the Maryland Historical Trust; etc.

EFFECTIVE JUNE 1, 2000

Senators Ferguson and Mooney

SB 659 Creation of a State Debt -- Frederick County -- Delaplaine Visual Arts Education Center

Authorizing the creation of a State Debt not to exceed \$75,000, the proceeds to be used as a grant to the Board of Directors of The Frederick Arts Center Foundation, Inc. for the repair, renovation, and reconstruction of the Delaplaine Visual Arts Education Center, located on South Carroll Street in Frederick, subject to a requirement that the grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000

Senators Mooney and Ferguson

SB 680 Creation of a State Debt -- Good Samaritan Hospital

Authorizing the creation of a State Debt not to exceed \$300,000, the proceeds to be used as a grant to the Board of Directors of Good Samaritan Hospital, Inc. for the planning, design, construction, renovation, repair, and capital equipping of the outpatient renal and hemodialysis units, to be located in Baltimore, subject to a requirement that the grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000

Senator Conway

SB 706 Creation of a State Debt -- Washington County -- Fairgrounds Park Pavilions

Authorizing the creation of a State Debt not to exceed \$75,000, the proceeds to be used as a grant to the Mayor and City Council of the City of Hagerstown for the construction of pavilions in a fairgrounds park, located in Hagerstown, subject to a requirement that the grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000

Senators Munson and Mooney

SB 723 Creation of a State Debt -- Washington County -- Agricultural/Education Center

Authorizing the creation of a State Debt not to exceed \$75,000, the proceeds to be used as a grant to the Board of Directors of Washington County Agricultural/Education Center, Inc. for the construction and capital equipping of the Washington County Agricultural/Education Center, located in Boonsboro, subject to a requirement that the grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000

Senators Munson and Mooney

SB 777 Creation of a State Debt -- Baltimore City -- Star Spangled Banner Flag House and 1812 Museum

Authorizing the creation of a State Debt not to exceed \$100,000, the proceeds to be used as a grant to the Board of Directors of the Star Spangled Banner Flag House Association, Inc. for the construction and capital equipping of a new museum and for the repair, renovation, and reconstruction of the Star Spangled Banner Flag House, located in Baltimore, subject to a requirement that the grantee provide and expend a matching fund; providing that the grantee will grant and convey a certain easement to the Maryland Historical Trust; etc.

EFFECTIVE JUNE 1, 2000

Senator Mitchell

- SB 804 Creation of a State Debt -- Prince George's County -- Melwood -- Horticultural Training Center Facilities**
Authorizing the creation of a State Debt not to exceed \$250,000, the proceeds to be used as a grant to the Board of Directors of the Melwood Horticultural Training Center, Inc. for the planning, design, construction, and capital equipping of a new grounds maintenance, storage, and repair facility, subject to a matching fund requirement; etc.
EFFECTIVE JUNE 1, 2000
Senators Currie and Lawlah
- SB 823 Creation of a State Debt -- Montgomery County -- Rehabilitation Opportunities**
Authorizing the creation of a State Debt not to exceed \$500,000, the proceeds to be used as a grant to the Board of Directors of Rehabilitation Opportunities, Inc. for the acquisition, planning, design, construction, and capital equipping of a facility located in Clarksburg, for use in helping developmentally disabled adults enter the workforce, subject to a requirement that the grantee provide and expend a matching fund; etc.
EFFECTIVE JUNE 1, 2000
Senators Hogan and Roesser
- SB 824 Creation of a State Debt -- Calvert County -- Kellam Recreational Complex**
Authorizing the creation of a State Debt not to exceed \$250,000, the proceeds to be used as a grant to the Mayor and Town Council of the Town of Chesapeake Beach, Inc. for the planning, design, construction, and capital equipping of the Kellam Recreational Complex and related facilities and parking, subject to a requirement that the grantee provide and expend a matching fund; etc.
EFFECTIVE JUNE 1, 2000
Senator Miller
- SB 839 Creation of a State Debt -- Prince George's County -- St. Paul Community Centre**
Authorizing the creation of a State Debt not to exceed \$400,000, the proceeds to be used as a grant to the Board of Directors of the Saint Paul Community Development Corporation for the construction and capital equipping of a building for the St. Paul Community Centre in Capitol Heights, to be used as an expansion of an existing day care center and for office space, subject to a requirement that the grantee provide and expend a matching fund; etc.
EFFECTIVE JUNE 1, 2000
Senator Currie
- SB 842 Creation of a State Debt -- Prince George's County -- Springhill Lake Recreation Center**
Authorizing the creation of a State Debt not to exceed \$25,000, the proceeds to be used as a grant to the Mayor and City Council of the City of Greenbelt for the planning and design of a future expansion of the Springhill Lake Recreation Center, located in Greenbelt, subject to a requirement that the grantee provide and expend a matching fund; etc.
EFFECTIVE JUNE 1, 2000
Senator Green
- SB 860 Creation of a State Debt -- Baltimore County -- Boys and Girls Clubs of Central Maryland, Inc.**
Authorizing the creation of a State Debt not to exceed \$250,000, the proceeds to be used as a grant to the Board of Directors of the Boys & Girls Clubs of Central Maryland, Inc. for the acquisition, renovation, repair, reconstruction, and capital equipping of an existing building in Arbutus, for the Boys & Girls Clubs of Central Maryland, subject to a requirement that the grantee provide and expend a matching fund; etc.
EFFECTIVE JUNE 1, 2000
Senator Kasemeyer

- SB 873 Harford County -- Senator William Amoss Agricultural Education Project Loan of 1998**
Amending Chapter 189 of the Acts of the General Assembly of 1998, the Harford County -- Senator William Amoss Agricultural Education Project Loan of 1998, to change the location of the Project to Harford County and extend the time by which the Board of Directors of the Maryland Agricultural Education Foundation, Inc. shall provide and expend a matching fund to June 1, 2001.
EFFECTIVE JUNE 1, 2000
Senators Hooper and Jacobs
- SB 885 Creation of a State Debt -- Baltimore City -- Randolph A. Carr Education, Training, and Empowerment Center**
Authorizing the creation of a State Debt not to exceed \$175,000, the proceeds to be used as a grant to the Board of Directors of Rehoboth Square Community Services, Inc. for the repair, renovation, reconstruction, and capital equipping of an existing vacant building for use as an education, training, and empowerment center, subject to a requirement that the grantee provide and expend a matching fund; prohibiting the use of the proceeds of the sale of the bonds or the matching fund for religious purposes; etc.
EFFECTIVE JUNE 1, 2000
Senator Blount
- SB 892 Creation of a State Debt -- Prince George's County -- Spirit of Faith Christian Center**
Authorizing the creation of a State Debt not to exceed \$400,000, the proceeds to be used as a grant to the Board of Directors of Hosanna, Inc. for the acquisition of property for, and for the planning, design, construction, and capital equipping of, a new facility for the Spirit of Faith Christian Center, to be located in Prince George's County, subject to a requirement that the grantee provide and expend a matching fund; prohibiting use of the proceeds of the sale of the bonds or the matching fund for religious purposes; etc.
EFFECTIVE JUNE 1, 2000
Senator Lawlah
- SB 894 Creation of a State Debt -- Aging School Program -- Qualified Zone Academy Bonds**
Authorizing the creation of a State Debt in the amount of \$9,828,000, the proceeds to be used as a grant to the Interagency Committee on School Construction for the allocation to eligible school systems under the Aging School Program for the repair, renovation, and capital improvements of qualified zone academies, subject to a requirement that the grantee document the provision of a required federal matching fund; etc.
EFFECTIVE JUNE 1, 2000
Senator Miller, et al
- SB 902 Dorchester County -- Stanley Institute: Rock School House Restoration Loan of 1998**
Amending Chapter 203 of the Acts of the General Assembly of 1998, the Dorchester County -- Stanley Institute: Rock School House Restoration Loan of 1998, to extend the date by which the grantees must provide and expend a matching fund to June 1, 2002.
EFFECTIVE JUNE 1, 2000
Senator Colburn
- HB 53 Harford County -- Ripken Museum Loan of 1998**
Amending Chapter 158 of the Acts of the General Assembly of 1998, Harford County -- Ripken Stadium Loan or 1998, to change the grantee to the Board of Directors of Ripken Museum, Inc., to change the project name to Harford County -- Ripken Museum, and to change the purpose of the project to the acquisition of a building in Aberdeen to be used as a museum, for administrative offices, and for the storage of memorabilia; etc.
EFFECTIVE JUNE 1, 2000
Delegate James, et al

- HB 118 Creation of a State Debt -- Howard County -- Florence Bain Senior Center Ho. Co. 12--00**
Authorizing the creation of a State Debt not to exceed \$500,000, the proceeds to be used as a grant to the County Executive and the County Council for Howard County for the planning, renovation, repair, and construction of an addition to the Florence Bain Senior Center, subject to a requirement that the grantee provide and expend a matching fund; and providing generally for the issuance and sale of bonds evidencing the loan.
EFFECTIVE JUNE 1, 2000
Howard County Delegation
- HB 122 Creation of a State Debt -- Baltimore City -- Baltimore Museum of Industry**
Authorizing the creation of a State Debt not to exceed \$250,000, the proceeds to be used as a grant to the Board of Directors of Baltimore Museum of Industry, Inc. for the planning, design, construction, repair, renovation, reconstruction, and capital equipping of the Baltimore Museum of Industry, a nonprofit, educational institution located in Baltimore, subject to a requirement that the grantee provide and expend a matching fund; and providing generally for the issuance and sale of bonds evidencing the loan.
EFFECTIVE JUNE 1, 2000
Delegates McHale and Cole
- HB 141 Creation of a State Debt -- Kent County -- Schooner Sultana Project**
Authorizing the creation of a State Debt not to exceed \$100,000, the proceeds to be used as a grant to the Board of Directors of Chester River Craft and Art, Inc. for the planning, design, construction, and capital equipping of a reproduction of the 1767 schooner "Sultana" for use as a "hands on" classroom for the teaching of colonial history, environmental science, and vocational skills, subject to a requirement that the grantee provide and expend a matching fund; and providing generally for the issuance and sale of bonds evidencing the loan.
EFFECTIVE JUNE 1, 2000
Delegate Walkup, et al
- HB 195 Creation of a State Debt -- Worcester County -- Pocomoke City Fair**
Authorizing the creation of a State Debt not to exceed \$200,000, the proceeds to be used as a grant to the Mayor and City Council of Pocomoke City for the construction of a grandstand, rest rooms, and exhibition area for the Pocomoke City Fair, an annual community event organized and conducted by Pocomoke City volunteers, subject to a requirement that the grantee provide and expend a matching fund; and providing generally for the issuance and sale of bonds evidencing the loan.
EFFECTIVE JUNE 1, 2000
Delegate Bozman, et al
- HB 198 Creation of a State Debt -- Baltimore City -- Druid Heights Daycare/Community Center**
Authorizing the creation of a State Debt not to exceed \$200,000, the proceeds to be used as a grant to the Board of Directors of the Druid Heights Community Development Corporation, Inc. for the acquisition of a building for, and the planning, design, construction, repair, renovation, reconstruction, and capital equipping of, the Druid Heights Daycare/Community Center, to be located at 2140 McCulloh Street, Baltimore, subject to a requirement that the grantee provide and expend a matching fund; etc.
EFFECTIVE JUNE 1, 2000
Delegate V Jones, et al
- HB 199 Creation of a State Debt -- Baltimore City -- Goodwill Industries**
Authorizing the creation of a State Debt not to exceed \$450,000, the proceeds to be used as a grant to the Board of Directors of Goodwill Industries of Baltimore, Inc. for the planning, design, repair, renovation, and capital equipping of a building on East Redwood Street in Baltimore City, to be used as a career

development center for Goodwill Industries, subject to a requirement that the grantee provide and expend a matching fund; and requiring the grantee to convey a historic easement to the Maryland Historical Trust.

EFFECTIVE JUNE 1, 2000

Delegate V Jones, et al

HB 291 Creation of a State Debt -- Prince George's County -- Bethel Recreation Center

Authorizing the creation of a State Debt not to exceed \$250,000, the proceeds to be used as a grant to the Board of Trustees of Union Bethel A.M.E. Church for the planning, design, construction, and capital equipping of the Bethel Recreation Center for use as a gymnasium, cafe and bookstore, and community meeting area, to be located in Brandywine, subject to a requirement that the grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000

Delegates Proctor and Vallario

HB 340 Creation of a State Debt -- Montgomery County -- Olney Boys and Girls Club Community Park

Authorizing the creation of a State Debt not to exceed \$300,000, the proceeds to be used as a grant to the Board of Directors of the Olney Boys and Girls Club for the planning, design, construction, repair, renovation, reconstruction, and capital equipping of the Olney Boys and Girls Club Community Park, a recreational facility for the over 4,500 children who are members of the Olney Boys and Girls Club, subject to a requirement that the grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000

Delegate Heller, et al

HB 352 Creation of a State Debt -- Anne Arundel County -- Lula G. Scott Community Center Renovation Project

Authorizing the creation of a State Debt not to exceed \$200,000, the proceeds to be used as a grant to the Board of Directors of the Anne Arundel County Economic Opportunity Committee, Inc. for the repair, renovation, construction, reconstruction, and capital equipping of the Lula G. Scott Community Center, an Early Head Start center in southern Anne Arundel County, serving pregnant women, infants, and toddlers, with a focus on low--income families, subject to a requirement that the grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000

Delegate Clagett, et al

HB 392 Creation of a State Debt -- Caroline County -- Denton Armory Building

Authorizing the creation of a State Debt not to exceed \$150,000, the proceeds to be used as a grant to the Board of Directors of the Denton Development Corporation for the repair, renovation, construction, reconstruction, and capital equipping of the Denton Armory Building, subject to a requirement that the grantee provide and expend a matching fund; requiring the grantee to grant and convey a specified easement to the Maryland Historical Trust; and providing generally for the issuance and sale of bonds evidencing the loan.

EFFECTIVE JUNE 1, 2000

Delegate Eckardt (Caroline County Delegation)

HB 397 Creation of a State Debt -- Baltimore City -- Kennedy Krieger Children's Hospital, Inc.

Authorizing the creation of a State Debt not to exceed \$1,250,000, the proceeds to be used as a grant to the Board of Directors of Kennedy Krieger Children's Hospital, Inc. for the planning, design, renovation, repair, construction, and capital equipping of a community behavioral health center, to be located in the 800 block of North Broadway in East Baltimore, subject to a requirement that the grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000

Delegates Harrison and C Davis

- HB 401 Creation of a State Debt -- Montgomery County -- Suburban Hospital Healthcare System, Inc.**
Authorizing the creation of a State Debt not to exceed \$1,000,000, the proceeds to be used as a grant to the Board of Directors of Suburban Hospital Healthcare System, Inc. for the planning, design, construction, and capital equipping of a comprehensive cancer center, to be located at Rockledge Drive in Bethesda, subject to a requirement that the grantee provide and expend a matching fund; and providing generally for the issuance and sale of bonds evidencing the loan.
EFFECTIVE JUNE 1, 2000
Delegate Kopp, et al
- HB 418 Creation of a State Debt -- Montgomery County -- Hebrew Home of Greater Washington**
Authorizing the creation of a State Debt not to exceed \$650,000, the proceeds to be used as a grant to the Hebrew Home of Greater Washington for the construction, repair, renovation, reconstruction, and capital equipping of the Hebrew Home of Greater Washington, a 558--bed geriatric care facility located in Montgomery County with services available to the entire community, subject to a requirement that the grantee provide and expend a matching fund; etc.
EFFECTIVE JUNE 1, 2000
Delegate Kopp, et al
- HB 450 Creation of a State Debt -- Baltimore City -- New Song Community Center**
Authorizing the creation of a State Debt not to exceed \$300,000, the proceeds to be used as a grant to the Board of Trustees of New Song Urban Ministries, Inc. for the construction and capital equipping of the New Song Community Center in Baltimore City, subject to a requirement that the grantee provide and expend a matching fund; prohibiting the use of the proceeds of the loan or any of the matching funds for religious purposes; etc.
EFFECTIVE JUNE 1,2000
Delegate Marriott, et al
- HB 470 Creation of a State Debt -- Prince George's County -- Riversdale Mansion**
Authorizing the creation of a State Debt not to exceed \$300,000, the proceeds to be used as a grant to the Maryland--National Capital Park and Planning Commission for the construction, reconstruction, repair, renovation, and capital equipping of Riversdale Mansion and surrounding property, subject to a matching fund requirement; etc.
EFFECTIVE JUNE 1, 2000
Delegate Healey, et al
- HB 491 Creation of a State Debt -- Wicomico County -- Pemberton Hall Foundation**
Authorizing the creation of a State Debt in the amount of \$200,000, the proceeds to be used as a grant to The Board of Directors of The Pemberton Hall Foundation, Inc. for the repair, renovation, reconstruction, and capital equipping of Pemberton Hall and associated facilities on the surrounding plantation land, subject to a requirement that the grantee provide and expend a matching fund; etc.
EFFECTIVE JUNE 1, 2000
Delegate Conway, et al
- HB 494 Creation of a State Debt -- Wicomico County -- Drill Academy for Youth**
Authorizing the creation of a State Debt not to exceed \$750,000, the proceeds to be used as a grant to the County Council of Wicomico County for the planning, design, construction, equipping, and furnishing of a residential drill academy, subject to a requirement that the grantee provide and expend a matching fund; etc.
EFFECTIVE JUNE 1, 2000

Delegate Conway, et al

HB 523 Baltimore City -- Pen Lucy Community Center Loan of 1998

Amending Chapter 317 of the Acts of the General Assembly of 1998 to change the location of the project to a specified location in Baltimore City and to extend the time by which the Govans Economic Management Senate must provide and expend a matching fund.

EFFECTIVE JUNE 1, 2000

Delegate Montague, et al

HB 528 Baltimore City -- Fort McHenry -- Education and Visitors Center Loan of 1996

Amending Chapter 123 of the Acts of the General Assembly of 1996, as amended by Chapter 26 of the Acts of the General Assembly of 1998, to extend the time by which the Board of Directors of the Patriots of Fort McHenry, Inc. shall provide and expend a matching fund, for the Education and Visitors Center Loan of 1996, to June 1, 2002.

EFFECTIVE JUNE 1, 2000

Delegates McHale and Cole

HB 542 Creation of a State Debt -- Carroll County Agricultural Center

Authorizing the creation of a State Debt not to exceed \$300,000, the proceeds to be used as a grant to the Carroll County Agricultural Center for the planning, design, construction, and capital equipping of an agricultural building, subject to a matching fund requirement; etc.

EFFECTIVE JUNE 1, 2000

Carroll County Delegation

HB 554 Creation of a State Debt -- Baltimore City -- St. Frances Academy

Authorizing the creation of a State Debt not to exceed \$300,000, the proceeds to be used as a grant to St. Frances Academy, Inc. for the planning, design, construction, and capital equipping of a multipurpose community and athletic facility, subject to a requirement that the grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000

Delegate Paige, et al

HB 613 Creation of a State Debt -- Caroline County -- Adkins Arboretum

Authorizing the creation of a State Debt not to exceed \$200,000, the proceeds to be used as a grant to the Board of Trustees of Adkins Arboretum, Ltd. for the planning, construction, replanting, restoration, and expansion of Adkins Arboretum, Maryland's only State--owned arboretum dedicated to the conservation of the native flora, subject to a requirement that the grantee provide and expend a matching fund; and providing generally for the issuance and sale of bonds evidencing the loan.

EFFECTIVE JUNE 1, 2000

Delegate W Baker, et al

HB 614 Creation of a State Debt -- St. Mary's County -- Lexington Park Family Support and Head Start Center

Authorizing the creation of a State Debt not to exceed \$250,000, the proceeds to be used as a grant to the Board of Commissioners of St. Mary's County for the planning, design, construction, and capital equipping of a family support and Head Start center in Lexington Park, subject to a requirement that the grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000

Delegate Wood (St. Mary's County Delegation)

HB 626 Creation of a State Debt -- Montgomery County -- Silver Spring Innovation Center

Authorizing the creation of a State Debt not to exceed \$500,000, subject to a matching fund requirement, the proceeds to be used as a grant to the County Executive and County Council of Montgomery County for the acquisition, planning, design, construction, capital equipping, and furnishing of, and for professional services related to building design and tenant requirements for, the Silver Spring Innovation Center, an incubator for information technology companies and early--stage businesses; etc.

EFFECTIVE JUNE 1, 2000

Delegates Franchot and Hixson

HB 651 Creation of a State Debt -- Prince George's County -- Suitland Business Incubator

Authorizing the creation of a State Debt not to exceed \$240,000, the proceeds to be used as a grant to the Board of Directors of Suitland Family and Life Development Corporation for the construction, repair, renovation, reconstruction, and capital equipping of a facility located in Suitland, for use as a business incubator, subject to a requirement that the grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000

Delegate Brown, et al

HB 652 Creation of a State Debt -- Garrett County -- Garrett Information Enterprise Center

Authorizing the creation of a State Debt not to exceed \$500,000, the proceeds to be used as a grant to the County Commissioners of Garrett County for the planning, design, construction, and capital equipping and furnishing of the Garrett Information Enterprise Center, subject to a matching fund requirement; etc.

EFFECTIVE JUNE 1, 2000

Delegate Edwards

HB 655 Creation of a State Debt -- Prince George's County -- Suitland Citizens Association

Authorizing the creation of a State Debt not to exceed \$200,000, the proceeds to be used as a grant to the Board of Directors of Suitland Citizens Association, Inc. for the construction, renovation, repair, reconstruction, and capital equipping of the Suitland Citizens Association building, located in Suitland; etc.

EFFECTIVE JUNE 1, 2000

Delegate Griffith, et al

HB 665 Creation of a State Debt -- Prince George's County -- Brentwood Veterans Memorial Park

Authorizing the creation of a State Debt in the amount of \$60,000, the proceeds to be used as a grant to the Mayor and Town Council of Brentwood for the repair, reconstruction, renovation, and capital equipping of an existing park dedicated to veterans of all wars, located in Brentwood; etc.

EFFECTIVE JUNE 1, 2000

Delegate Benson, et al

HB 677 Creation of a State Debt -- Cecil County -- Cecil County Family Support and Education Center

Authorizing the creation of a State Debt not to exceed \$250,000, the proceeds to be used as a grant to the Board of Trustees of Cecil Community College for the planning, design, construction, and capital equipping of a facility, located on Hollingsworth Manor in Cecil County, for use as a family support and education center, subject to a requirement that the grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000

Cecil County Delegation

HB 750 Creation of a State Debt -- Baltimore County -- Todd's Inheritance

Authorizing the creation of a State Debt not to exceed \$250,000, the proceeds to be used as a grant to the County Council and the County Executive of Baltimore County for the renovation and restoration of Todd's Inheritance, located in Edgemere, subject to a requirement that the grantee provide and expend a matching fund; and requiring the grantee to grant and convey a specified easement to the Maryland Historical Trust.

EFFECTIVE JUNE 1, 2000

Delegate Minnick (Baltimore County Administration), et al

HB 759 Department of Aging -- Senior Citizens Activities Center Operating Fund

Creating a Senior Citizens Activities Center Operating Fund; providing for the administration of the Fund; providing for distributions from the Fund to counties for senior citizens activities centers; requiring the Governor to include \$500,000 in the State budget for fiscal year 2002, and each fiscal year thereafter, for the Fund; etc.

EFFECTIVE JUNE 1, 2000

Delegate McIntosh, et al

HB 767 Creation of a State Debt -- Queen Anne's County -- Maryland Watermen's Monument

Authorizing the creation of a State Debt not to exceed \$85,000, the proceeds to be used as a grant to the Board of Directors of Queen Anne's County Watermen's Festival, Inc. for the construction and capital equipping of the Maryland Watermen's Monument, to be located in Kent Narrows in Queen Anne's County, subject to a requirement that the grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000

Delegate W Baker

HB 775 Creation of a State Debt -- Baltimore City -- Hiram Grand Foundation Community Center

Authorizing the creation of a State Debt not to exceed \$250,000, the proceeds to be used as a grant to the Board of Directors of the Hiram Grand Foundation, Inc. for the acquisition, planning, design, construction, and capital equipping of the Hiram Grand Community Center, subject to a requirement that the grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000

Delegate Kirk, et al

HB 797 Creation of a State Debt -- Baltimore County -- Reisterstown Elementary Police Athletic League/Recreation Ctr

Authorizing the creation of a State Debt not to exceed \$575,000, the proceeds to be used as a grant to the County Council and the County Executive for Baltimore County for the planning, design, construction, and capital equipping of a facility located in Reisterstown, for use as a Police Athletic League/Recreation Center, subject to a requirement that the grantee provide and expend a matching fund; and providing generally for the issuance and sale of bonds evidencing the loan.

EFFECTIVE JUNE 1, 2000

Delegate Finifter, et al (Baltimore County Administration)

HB 807 Garrett County -- Garrett Information Enterprise Center Loan of 1998

Amending Chapter 310 of the Acts of the General Assembly of 1998, the Garrett County Information Enterprise Center Loan of 1998, to extend the date by which the grantee must provide and expend a matching fund from June 1, 2000, to June 1, 2002.

EFFECTIVE JUNE 1, 2000

Delegate Edwards

HB 826 Creation of a State Debt -- Anne Arundel County -- Maryland Therapy and Education Center

Authorizing the creation of a State Debt not to exceed \$100,000, the proceeds to be used as a grant to the Board of Directors of Maryland Therapeutic Riding, Inc. for the planning, design, construction, and capital equipping of a therapeutic riding facility, including indoor and outdoor riding and education areas, located in Anne Arundel County, subject to a requirement that the grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000

Delegate Love, et al

- HB 837 Creation of a State Debt -- Baltimore City -- Maryland Institute, College of Art**
Authorizing the creation of a State Debt not to exceed \$2,900,000, the proceeds to be used as a grant to Maryland Institute, College of Art for the acquisition, planning, design, repair, renovation, restoration, construction, and capital equipping of a new academic building, subject to a requirement that the grantee provide and expend a matching fund; etc.
EFFECTIVE JUNE 1, 2000
Delegate Kopp, et al
- HB 840 Creation of a State Debt -- Worcester County -- Ocean City Visitors and Information Center**
Authorizing the creation of a State Debt not to exceed \$400,000, the proceeds to be used as a grant to the Board of Directors of The Ocean City, Maryland Chamber of Commerce, Inc. for the planning, design, construction, and capital equipping (including furnishing) of the Ocean City Visitors and Information Center, to be located in Worcester County, subject to a requirement that the grantee provide and expend a matching fund; etc.
EFFECTIVE JUNE 1, 2000
Delegate Bozman, et al
- HB 853 Creation of a State Debt -- Washington County -- The Children's Village**
Authorizing the creation of a State Debt not to exceed \$75,000, the proceeds to be used as a grant to the Board of Directors of Children's Village of Washington County, Inc. for the construction, repair, renovation, reconstruction, and capital equipping of the Children's Village, located in Hagerstown, subject to a requirement that the grantee provide and expend a matching fund; etc.
EFFECTIVE JUNE 1, 2000
Washington County Delegation
- HB 854 Creation of a State Debt -- Washington County -- Hagerstown Police Athletic League**
Authorizing the creation of a State Debt not to exceed \$50,000, the proceeds to be used as a grant to the Board of Directors of Hagerstown Area Police Athletic League, Inc. for the construction and capital equipping of the Hagerstown Police Athletic League, to be located in Washington County, subject to a requirement that the grantee provide and expend a matching fund; providing that the grantee shall grant and convey a specified easement to the Maryland Historical Trust; etc.
EFFECTIVE JUNE 1, 2000
Washington County Delegation
- HB 855 Creation of a State Debt -- Washington County -- Hagerstown YMCA Family Center**
Authorizing the creation of a State Debt not to exceed \$250,000, the proceeds to be used as a grant to the Board of Directors of the Young Men's Christian Association of Hagerstown, Maryland, Inc. for the construction and capital equipping of the Hagerstown YMCA Family Center, to be located in Washington County, subject to a requirement that the grantee provide and expend a matching fund; etc.
EFFECTIVE JUNE 1, 2000
Washington County Delegation
- HB 859 Creation of a State Debt -- Charles County -- Western Charles County Business/Industrial Park**
Authorizing the creation of a State Debt in the amount of \$150,000, the proceeds to be used as a grant to the Commissioners of Charles County for the construction and installation of water and sewer lines, and for the improvement of roads, on a parcel of property that is part of a larger tract of land formerly known as Chapman's Landing, for use as an industrial and business park; providing for disbursement of the loan proceeds; etc.
EFFECTIVE JUNE 1, 2000
Delegate Linton (Charles County Delegation)

HB 860 Creation of a State Debt -- Charles County -- Lions Camp Merrick Program

Authorizing the creation of a State Debt not to exceed \$150,000, the proceeds to be used as a grant to the Board of Directors of Lions Camp Merrick, Inc. for the construction and capital equipping of Lions Camp Merrick, located in Nanjemoy, subject to a requirement that the grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000

Charles County Delegation

HB 873 Creation of a State Debt -- Frederick County -- Frederick Memorial Healthcare System, Inc.

Authorizing the creation of a State Debt not to exceed \$250,000, the proceeds to be used as a grant to the Board of Directors of Frederick Memorial Healthcare System, Inc. for the planning, design, construction, renovation, repair, and capital equipping of an emergency department, to be located in Frederick, subject to a requirement that the grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000

Frederick County Delegation

HB 885 Creation of a State Debt -- Kent County -- Kent Family Center

Authorizing the creation of a State Debt not to exceed \$300,000, the proceeds to be used as a grant to the Board of Directors of Shared Opportunity Service, Inc. for the construction and capital equipping of the Kent Family Center, to be located in Chestertown, subject to a requirement that the grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000

Delegate Guns, et al

HB 894 Creation of a State Debt -- Baltimore County -- Woodlawn Community Center

Authorizing the creation of a State Debt not to exceed \$300,000, the proceeds to be used as a grant to the County Council and the County Executive of Baltimore County for the demolition, planning, design, construction, and capital equipping of the Woodlawn Community Center in Woodlawn, subject to a requirement that the grantee provide and expend a matching fund; and providing generally for the issuance and sale of bonds evidencing the loan.

EFFECTIVE JUNE 1, 2000

Delegate Burns, et al (Baltimore County Administration)

HB 905 Creation of a State Debt -- Baltimore City -- Family Tree

Authorizing the creation of a State Debt not to exceed \$400,000, the proceeds to be used as a grant to Family Tree for the planning, design, renovation, repair, and capital equipping of buildings in Baltimore City, located at 2104 through 2108 North Charles Street, to be used for child abuse prevention and parenting programs, subject to a requirement that the grantee provide and expend a matching fund; and providing generally for the issuance and sale of bonds evidencing the loan.

EFFECTIVE JUNE 1, 2000

Delegate Rosenberg, et al

HB 906 Creation of a State Debt -- Somerset County -- Three Lower Counties Community Service Clinic

Authorizing the creation of a State Debt in the amount of \$300,000, the proceeds to be used as a grant to the Board of Directors of Three Lower Counties Community Services, Inc. for the construction, repair, renovation, reconstruction, and capital equipping of an expansion to a medical and dental clinic, subject to a requirement that the grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000

Delegates Conway and Bozman

- HB 907 Creation of a State Debt -- Frederick County -- Frederick County Girl Scout Day Camp**
Authorizing the creation of a State Debt not to exceed \$100,000, the proceeds to be used as a grant to The Board of Directors of Penn Laurel Girl Scout Council, Inc. for the acquisition, construction, and capital equipping of the Frederick County Girl Scout Day Camp, subject to a requirement that the grantee provide and expend a matching fund; etc.
EFFECTIVE JUNE 1, 2000
Delegates Hecht and Snodgrass
- HB 909 Creation of a State Debt -- Loyola College**
Authorizing the creation of a State Debt not to exceed \$200,000, the proceeds to be used as a grant to Loyola College for the planning, design, construction, repair, renovation, restoration, reconstruction, and capital equipping of Maryland Hall, located in Baltimore City, subject to a requirement that the grantee provide and expend a matching fund; etc.
EFFECTIVE JUNE 1, 2000
Delegate Rosenberg, et al
- HB 960 Creation of a State Debt -- Frederick County -- American Red Cross**
Authorizing the creation of a State Debt not to exceed \$300,000, the proceeds to be used as a grant to the Board of Directors of the Frederick County Chapter of the American Red Cross for the acquisition, repair, renovation, reconstruction, and capital equipping of the Frederick County Chapter of the American Red Cross, subject to a requirement that the grantee provide and expend a matching fund; etc.
EFFECTIVE JUNE 1, 2000
Frederick County Delegation
- HB 962 Creation of a State Debt -- Talbot County -- Chesapeake Bay Maritime Museum**
Authorizing the creation of a State Debt not to exceed \$400,000, the proceeds to be used as a grant to the Board of Governors of the Chesapeake Bay Maritime Museum, Inc. for the planning, design, construction, and capital equipping of new buildings, and for the repair, renovation, restoration, and reconstruction of existing facilities and exhibits, including Marine Railway, Vessels, and Historic Skipjacks, at the Chesapeake Bay Maritime Museum in Talbot County, subject to a matching fund requirement; etc.
EFFECTIVE JUNE 1, 2000
Delegates Schisler and Eckardt
- HB 965 Creation of a State Debt -- Baltimore City -- Park Heights Golf Range and Family Sports Park**
Authorizing the creation of a State Debt not to exceed \$250,000, the proceeds to be used as a grant to the Board of Directors of Park Heights Golf Range and Family Sports Park, Inc. for the planning, design, construction, and capital equipping of a family sports park, golf driving range, miniature golf park, and related buildings, to be located on Reisterstown Road in Baltimore, subject to a requirement that the grantee provide and expend a matching fund; etc.
EFFECTIVE JUNE 1, 2000
Delegate Oaks, et al
- HB 1032 Creation of a State Debt -- Prince George's County -- Minority Access Community Center**
Authorizing the creation of a State Debt not to exceed \$300,000, the proceeds to be used as a grant to the Board of Directors of Minority Access, Inc. for the planning, design, repair, expansion, renovation, and capital equipping of a building for the Minority Access Community Center, subject to a matching fund requirement; etc.
EFFECTIVE JUNE 1, 2000
Delegates R Baker and Healey
- HB 1073 Washington County -- Mentally Impaired or Handicapped Individuals, Inc. (MIHI) Loan of 1997**

Amending Chapter 212 of the Acts of the General Assembly of 1997, the Washington County -- Mentally Impaired or Handicapped Individuals Loan of 1997, to change the name of the grantee and the purpose of the funding to planning, design, construction, and capital equipping of accessible recreational facilities throughout Washington County.

EFFECTIVE JUNE 1, 2000

Washington County Delegation

HB 1176 Creation of a State Debt -- Baltimore City -- Fraternal Order of Police Memorial

Authorizing the creation of a State Debt not to exceed \$50,000, the proceeds to be used as a grant to the Board of Directors of the Baltimore Fraternal Order of Police Memorial Fund for the planning, design, and construction of a memorial to the policemen of the City of Baltimore who have died in the line of duty; providing for a matching fund requirement; etc.

EFFECTIVE JUNE 1, 2000

Delegate Doory, et al

HB 1256 Creation of a State Debt -- Anne Arundel County -- St. John's College

Authorizing the creation of a State Debt not to exceed \$2,900,000, the proceeds to be used as a grant to St. John's College for the planning, design, construction, repair, restoration, renovation, reconstruction, and capital equipping of Mellon Hall, subject to a requirement that the grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000

Delegate Busch, et al

HB 1271 Academic Facilities Bonding Authority

Increasing the bonding authority for the University System of Maryland and specifying the projects that are to be funded by the increase.

EFFECTIVE JULY 1, 2000

Chairman HRU (Dept)

HB 1291 Baltimore City -- Maryland Historical Society Loan of 1997

Amending Chapter 290 of the Acts of the General Assembly of 1997, Baltimore City -- Maryland Historical Society Loan of 1997, to change the date, to June 1, 2002, by which the grantee shall provide and expend a matching fund.

EFFECTIVE JUNE 1, 2000

Delegate Dewberry

HB 1341 Creation of a State Debt -- Prince George's County -- NorBrooke Knolls Center

Authorizing the creation of a State Debt not to exceed \$250,000, the proceeds to be used as a grant to the Board of Directors of the NorBrooke Knolls Center, Inc. for the planning, design, construction, and capital equipping of an addition to, the construction of a parking lot for, and the repair, renovation, and reconstruction of the existing facility at the NorBrooke Knolls Center located in Capitol Heights, Prince George's County, subject to a requirement that the grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000

Delegate Howard, et al

HB 1342 Creation of a State Debt -- Prince George's County -- Mt. Rainier Revitalization Project

Authorizing the creation of a State Debt not to exceed \$60,000, the proceeds to be used as a grant to the Board of Directors of the Housing Initiative Partnership, Inc. for the planning, design, repair, renovation, reconstruction, and capital equipping of an apartment building in Mt. Rainier, Prince George's County, for residences for low--income artists, subject to a requirement that the grantee provide and expend a matching fund; etc.

EFFECTIVE JUNE 1, 2000
Delegate Benson, et al

- HB 1351 Creation of a State Debt -- Baltimore City -- W.W. Payne Education and Community Center**
Authorizing the creation of a State Debt not to exceed \$200,000, the proceeds to be used as a grant to the Board of Directors of the City Temple Development Corporation, Inc. for the planning, design, construction, and capital equipping of a new building for the W.W. Payne Education and Community Center, to be located in Baltimore, subject to a requirement that the grantee provide and expend a matching fund; prohibiting the use of the proceeds of the sale of the bonds or the matching fund for religious purposes; etc.
EFFECTIVE JUNE 1, 2000
Delegate Marriott, et al
- HB 1359 Creation of a State Debt -- Cecil County -- The Boys and Girls Clubs of Cecil County, Inc.**
Authorizing the creation of a State Debt not to exceed \$100,000, the proceeds to be used as a grant to the Board of Directors of The Boys and Girls Clubs of Cecil County, Inc. for the acquisition, planning, design, and capital equipping of a site in Cecil County to house a Boys and Girls Club.
EFFECTIVE JUNE 1, 2000
Cecil County Delegation
- HB 1380 Harford County -- Senator William Amoss Agricultural Education Project Loan of 1998**
Amending Chapter 189 of the Acts of the General Assembly of 1998, the Harford County -- Senator William Amoss Agricultural Education Project Loan of 1998, to change the location of the Project to Harford County and extend the time by which the Board of Directors of the Maryland Agricultural Education Foundation, Inc. shall provide and expend a matching fund to June 1, 2001.
EFFECTIVE JUNE 1, 2000
Harford County Delegation
- HB 1395 Creation of a State Debt -- Calvert County -- The Boys and Girls Clubs of Calvert County, Inc.**
Authorizing the creation of a State Debt not to exceed \$100,000, the proceeds to be used as a grant to the Board of Directors of The Boys and Girls Clubs of Calvert County, Inc. for the acquisition, planning, design, construction, reconstruction, and capital equipping of a site in Calvert County to house a Boys and Girls Club, subject to a matching fund requirement; etc.
EFFECTIVE JUNE 1, 2000
Delegates O'Donnell and Owings
- HB 1408 Montgomery County -- Old Town Takoma Park Loan of 1998**
Amending Chapter 436 of the Acts of the General Assembly of 1998, the Montgomery County -- Old Town Takoma Park Loan of 1998, to change the purpose of the project to the planning, design, repair, renovation, reconstruction, and landscaping of and improvements to public properties in Old Takoma Park and to extend the date by which the grantee is required to provide and expend a matching fund to June 1, 2002; etc.
EFFECTIVE JUNE 1, 2000
Delegates Franchot and Hixson
- HB 1418 Creation of a State Debt -- Baltimore City -- The Morgan Center**
Authorizing the creation of a State Debt in the amount of \$400,000, the proceeds to be used as a grant to the Board of Directors of the Morgan Christian Center, Inc. for the repair, renovation, restoration, and capital equipping of the Morgan Center, located in Baltimore City, for use in community activities, subject to a requirement that the grantee provide and expend a matching fund; prohibiting the use of the proceeds of the sale of the bonds or the matching funds for religious purposes; etc.
EFFECTIVE JUNE 1, 2000
Delegate Montague, et al

HB 1431 Dorchester County -- Stanley Institute: Rock School House Restoration Loan of 1998

Amending Chapter 203 of the Acts of the General Assembly of 1998, the Dorchester County -- Stanley Institute: Rock School House Restoration Loan of 1998, to extend the date by which the grantees must provide and expend a matching fund to June 1, 2002.

EFFECTIVE JUNE 1, 2000

Dorchester County Delegation

Part B

Taxes

- SB 1 Inheritance Tax -- Exemption for Lineal Beneficiaries and Siblings**
Exempting from the inheritance tax property that passes from a decedent to or for the use of the decedent's grandparent, parent, spouse, child or other lineal descendant, stepparent, stepchild, brother, sister, or spouse of a child or other lineal descendant or passes from the decedent to or for the use of a corporation owned only by those relatives of the decedent; and applying the Act to decedents dying on or after July 1, 2000.
EFFECTIVE JULY 1, 2000
Senators Miller and Bromwell
- SB 12 Real Property -- Recordation -- Lien for Unpaid Personal Property Taxes**
Providing that requirements for payment of specified personal property taxes before specified property may be transferred on the assessment books or records do not apply to specified grants of land made by a deed in lieu of foreclosure; providing that specified land is free and clear of any lien or claim of lien for unpaid taxes on personal property under specified circumstances; etc.
EFFECTIVE JULY 1, 2000
Senator Hoffman
- SB 55 Taxpayer Identification Information -- Confidentiality**
Allowing the Comptroller to disclose taxpayer identity information to commercial printers for the purpose of printing specified tax forms and to commercial entities for the purpose of using a lockbox or similar tangible or electronic system for specified tax forms and payments; and extending provisions allowing the disclosure of taxpayer identity information that relates to specified taxes.
EFFECTIVE JULY 1, 2000
Chairman B&T (Dept)
- SB 56 Financial Institutions -- Taxation**
Terminating the financial institution franchise tax and the savings and loan association franchise tax; providing that specified financial institutions are subject to income tax for tax years beginning after a specified date; providing that, for income tax purposes, interest received by specified financial institutions from one of its subsidiary corporations shall be allocated to the State only to the extent that the interest is derived from the subsidiary's trade or business within the State; etc.
VARIOUS EFFECTIVE DATES
Chairman B&T (Dept)
- SB 57 Montgomery County -- Dam Assessments**
Repealing an exemption from assessment for a barrier or dam across the Potomac River in Montgomery County.
Chairman B&T (Dept)
- SB 59 Motor Carriers -- Identification Markers and Permits**
Altering the conditions under which a motor carrier qualifies for an identification marker by repealing the \$7 charge for each marker, payable to the Comptroller.
EFFECTIVE JANUARY 1, 2001
Chairman B&T (Dept)

- SB 86 **Tax Credits -- New or Expanded Business Premises**
Reducing from 25 to 10 the required number of individuals that must be employed by a business in new permanent full--time positions for the business to qualify for property tax and State tax credits allowed for new or expanded businesses in a county with a population under 30,000.
EFFECTIVE JULY 1, 2000
Senator Baker
- SB 98 **Tax -- Property -- Prince George's County -- Property Tax Credit**
Altering a provision of law authorizing the governing body of Prince George's County to grant a property tax credit against the county property tax or special district tax for specified property to include property owned by the Lake Arbor Foundation, Inc.
EFFECTIVE JULY 1, 2000
Senator Currie
- SB 103 **Sales and Use Tax -- Tax--Free Week**
Designating the week of August 10, 2001, through August 16, 2001, as a tax--free week during which the sales and use tax exemptions will apply; defining accessory items; providing for exemptions from the sales and use tax for clothing or footwear for which the taxable price is less than \$100, excluding accessory items, during the back--to--school tax--free shopping week; etc.
EFFECTIVE JULY 1, 2000
Senator Kasemeyer, et al
- SB 137 **Sales and Use Tax -- Tobacco Use Cessation Products**
Exempting from the sales and use tax the sale of nicotine patches, nicotine gum, or any other product intended for use as an aid in tobacco use cessation and approved by the United States Food and Drug Administration for that purpose.
EFFECTIVE JULY 1, 2000
Senator Hoffman
- SB 171 **Income Tax -- Credit for Long--Term Care Insurance Premiums**
Allowing an individual a credit against the State income tax for 100\% of long--term care insurance premiums paid by the individual for the individual or the individual's spouse, parent, stepparent, child, or stepchild if the insured is a Maryland resident; limiting the credit to \$500 for each insured and to one taxable year for each insured; requiring the Comptroller to report to the Governor and the General Assembly regarding the credit annually beginning December 1, 2005; applying the Act to tax years after 1999; etc.
EFFECTIVE JULY 1, 2000
Senator Hollinger, et al
- SB 191 **Sales and Use Tax Exemption -- Property Used in a Production Activity**
Clarifying that the sales and use tax applies to personal property that is installed so that it becomes real property but does not apply to specified personal property used to comply with a pollution control law even if installed so that the personal property becomes real property.
EFFECTIVE JULY 1, 2000
Chairman B&T (Dept)
- SB 192 **Film Production Activity -- Sales and Use Tax Exemption**
Providing a sales and use tax exemption for tangible personal property and taxable services used in a film production activity; authorizing the Department of Business and Economic Development to certify applicants for the exemption; requiring the Department and the Comptroller jointly to adopt regulations; requiring the Department to conduct a study and report to the General Assembly the potential and actual economic impact of specified tax credits; etc.

EFFECTIVE JULY 1, 2000
Chairman B&T (Dept)

- SB 230 **Motor Vehicle Titling Tax -- Exercise of Option to Purchase Under Vehicle Leasing Agreement**
Exempting from the motor vehicle titling tax a vehicle titled in this State that is transferred to a lessee who exercises an option under a vehicle lease to purchase the leased vehicle at the end of the lease; providing that a specified exemption from the tax does not apply until any Consolidated Transportation Bonds are no longer outstanding and unpaid; etc.
EFFECTIVE JULY 1, 2001
Senator Kasemeyer, et al
- SB 240 **Income Tax -- Earned Income Credit**
Increasing from 12.5\% to 15\% the percentage of the federal earned income credit used for determining the amount that an individual with one or more dependents may claim as a refundable credit; authorizing the counties and Baltimore City to make the county earned income credit refundable under specified circumstances; etc.
EFFECTIVE JULY 1, 2000
Senator Hoffman, et al
- SB 263 **Cecil County -- Municipal Property Tax -- Credits for Volunteer Firefighters**
Authorizing municipal corporations in Cecil County to grant, by law, a property tax credit against the municipal corporation property tax imposed on residential real property that is owned by, and occupied as the principal residence of, an individual serving in a volunteer fire company located in the municipal corporation; and authorizing the municipal corporation to provide, by law, for specified provisions relating to the property tax credit authorized by the Act.
EFFECTIVE JULY 1, 2000
Senator Baker
- SB 302 **Sales and Use Tax -- Bulk Vending Machines**
Exempting from the sales and use tax a sale of tangible personal property through a bulk vending machine for a taxable price of 25 cents or less; and defining bulk vending machine for purposes of the exemption.
EFFECTIVE JULY 1, 2000
Senators McFadden and Hollinger
- SB 309 **Maryland Research and Development Tax Credit**
Allowing a State income tax credit in an amount equal to 3\% of qualified Maryland research and development expenses, up to a specified base amount, incurred during a taxable year; allowing a credit in an amount equal to 10\% of the expenses paid or incurred for Maryland research and development in excess of the base amount; providing for applications to the Department of Business and Economic Development for approval and certification of credit amounts, up to \$3,000,000 total statewide for each credit; etc.
EFFECTIVE JULY 1, 2000
Senator Hogan, et al
- SB 316 **Income Tax -- Subtraction Modification for Adoption Expenses**
Increasing the maximum amounts allowed as a subtraction modification under the income tax for specified expenses incurred by adoptive parents in the adoption of a child who is a Maryland resident at the time of adoption, from \$3,000 to \$6,000 for a child determined to be a child with a special need and from \$2,000 to \$5,000 for a child without a special need; and applying the Act to tax years after 1999.
EFFECTIVE JULY 1, 2000
Senator Green

SB 331 Property Tax Credits -- Construction

Providing that a law granting or authorizing a property tax credit may not be construed to affect eligibility of any entity for a property tax exemption; and providing for the prospective application of the Act.

EFFECTIVE JUNE 1, 2000

Senator Van Hollen, et al

SB 335 Income Tax -- Credit for Child and Dependent Care Expenses

Altering the State income tax credit for child and dependent care expenses to equal the lesser of 32.5% of the federal child and dependent care credit or the State income tax for the taxable year; increasing from \$40,000 to \$50,000 the maximum income for eligibility for the credit and from \$20,000 to \$25,000 in the case of a married individual filing a separate return; altering income levels at which the credit is phased out; applying the Act to tax years after 2000; etc.

EFFECTIVE JULY 1, 2000

Senator Van Hollen, et al

SB 348 Baltimore City and Baltimore County -- Property Tax -- Neighborhood Stabilization Credits

Extending to June 30, 2002, the applicability of credits against Baltimore City and Baltimore County property taxes and the State income tax; expanding the geographic area of Baltimore County that is eligible for the tax credit; requiring an individual to apply for the property tax credit within 6 months of the transfer of title; etc.

EFFECTIVE JUNE 1, 2000

Senator Kasemeyer, et al

SB 378 Motor Vehicle Titling Tax and Inspection Certificate Requirements -- Exemptions

Exempting from the motor vehicle titling tax and inspection certificate requirements a vehicle titled in this State that is transferred into a written inter vivos trust; exempting from the motor vehicle titling tax and inspection certificate requirements a vehicle titled in this State that is transferred as a result of specified mergers or consolidations of corporations and limited liability companies; applying the Act to any vehicle transferred on or after July 1, 2000; etc.

EFFECTIVE JULY 1, 2000

Senator Roesser

SB 401 Income Tax -- Subtraction for Retirement Income

Defining "employee retirement system" for purposes of the subtraction modification allowed under the income tax for specified retirement income of an individual who is at least 65 years old, or who is totally disabled, or whose spouse is totally disabled; and applying the Act to tax years after 1999.

EFFECTIVE JULY 1, 2000

Senator Teitelbaum, et al

SB 407 Natural Resources -- Boat Excise Tax -- Certificate of Title

Altering the definition of "fair market value" under the boat excise tax to eliminate the requirement that a licensed dealer or a dealer licensed by another state or foreign country take title to a used vessel that is traded in as part of the consideration for the sale of a new vessel in order to qualify for an exclusion from the computation of the boat excise tax.

EFFECTIVE JULY 1, 2000

Senator Astle

SB 408 Sales and Use Tax -- Exemption for Bottled Water

Exempting from the sales and use tax the sale of bottled water for human consumption sold in containers of 1 gallon or more.

EFFECTIVE JULY 1, 2000

Senator Lawlah, et al

SB 414 Property Taxation -- Property Used to Generate Steam or Hot or Chilled Water

Providing a credit against the corporate income tax for 60\% of property taxes paid by a public utility on operating real property used to generate steam for sale; providing an addition modification under the corporate income tax in the amount of the credit; providing a partial exemption from property tax for machinery and equipment used to generate electricity or steam for sale or hot or chilled water for sale that is used to heat or cool a building; etc.

Senator Hoffman

SB 437 Cecil County -- Development Excise Tax

Authorizing the Board of County Commissioners of Cecil County to impose, by law, a development excise tax; requiring the Board to advertise and hold a public hearing before passing a local law imposing or altering the amount of the tax; limiting the tax to a maximum of \$3,500 per residential unit; requiring that the tax be deposited in a special account to be used only for specified purposes; making the Act contingent on approval of the voters of Cecil County at a local referendum; etc.

REFERENDUM -- EFF. JULY 1, 2000

Cecil County Senators (By Request) and Senator Hooper

SB 474 Property Tax -- Talbot County -- Personal Property

Authorizing the governing body of Talbot County or of a municipal corporation in Talbot County to grant, by law, a property tax credit against the county or municipal corporation property tax imposed on personal property; specifying the authority of the governing body of Talbot County or of a municipal corporation in Talbot County with respect to the credit; etc.

EFFECTIVE JULY 1, 2000

Senator Colburn

SB 507 Property Tax Credits -- Rehabilitated Real Property

Authorizing the Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation to grant, by law, a property tax credit for property that is rehabilitated under regulations adopted by the governing body; authorizing the Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation to provide for the amount and duration of the property tax credit, subject to specified limits; etc.

EFFECTIVE JULY 1, 2000

Senator Ruben, et al

SB 535 Baltimore City -- Release of Liens for Unpaid City Real Property Taxes

Authorizing the Board of Estimates of Baltimore City to release any liens for unpaid city real property taxes if the Baltimore City Department of Housing and Community Development certifies that the property is a vacant lot, or has a building or structure on the property that is vacant and unsafe or unfit for habitation; etc.

EFFECTIVE JULY 1, 2000

Senator McFadden (Baltimore City Administration), et al

SB 551 County Income Tax Disparity Grants

Altering the calculation of State grants to counties based on disparities in county income tax revenues to account for the alteration of the computation of the county income tax; altering requirements for eligibility for the grants to account for the alteration of the computation of the county income tax; and applying the Act to grants for fiscal years beginning on or after July 1, 2001.

Senator Hoffman

SB 626 Truth in Taxation -- Real Property Tax Assessments

Altering the method of computing the assessment of real property; requiring the Board of Public Works to annually set specified tax rates for specified taxable years; requiring that the county and municipal tax rates for personal property and specified operating real property be set at a rate that is based on the rate for real property; altering the computation of exemptions, credits, and penalties to reflect the change in computation of assessments under the Act; etc.

VARIOUS EFFECTIVE DATES

Senator Currie

SB 628 Caroline County -- Property Tax Credit -- Habitat for Humanity, Incorporated

Authorizing the governing body of Caroline County to grant, by law, a property tax credit against the county property tax imposed on real property renovated as housing by Habitat for Humanity, Incorporated and used for rehabilitation purposes; requiring Habitat for Humanity, Incorporated to file an annual report with the governing body of Caroline County; etc.

EFFECTIVE JULY 1, 2000

Senator Colburn

SB 640 Cecil County -- Property Taxes -- Collection

Altering provisions of law regarding the collection of specified taxes by the County Treasurer of Cecil County; limiting the rate of interest a municipal corporation in Cecil County may charge for an overdue property tax; altering provisions of law requiring the Treasurer to make a specified deduction against certain taxes collected for specified expenses; etc.

EFFECTIVE JUNE 1, 2000

Senator Baker

SB 670 Maryland Clean Energy Incentive Act

Exempting from the sales and use tax clothes washers, room air conditioners, and refrigerators that meet or exceed applicable Energy Star efficiency guidelines, specified energy efficient heating and cooling equipment, and fuel cell electric generating equipment; allowing a motor vehicle excise tax credit for qualified electric vehicles and hybrid vehicles; allowing State income tax credits for specified solar energy property and for electricity produced from qualified energy resources; etc.

EFFECTIVE JULY 1, 2000

Senator Van Hollen, et al

SB 701 Sales and Use Tax -- Exemption for Digital Telecommunications Machinery and Equipment

Exempting from the sales and use tax sales, on or after January 1, 2000, but before January 1, 2008, of machinery or equipment that enables a television or radio station to comply with or to facilitate compliance with the Telecommunications Act of 1996 and to originate and broadcast or to receive and broadcast digital signals.

EFFECTIVE JULY 1, 2000

Senator Lawlah, et al

SB 719 Baltimore City -- Tax Sales -- Abandoned Property

Altering the applicability of provisions authorizing specified abandoned property in Baltimore City to be sold for a sum less than a specified amount otherwise due for tax sales; requiring the collector to establish a minimum bid for the sale of specified abandoned property at a tax sale; providing that a tax sale certificate for abandoned property reverts to the City and is void as to a private purchaser unless a foreclosure proceeding is filed within 3 months and a foreclosure decree is secured within 18 months; etc.

EFFECTIVE JULY 1, 2000

Senator McFadden (Baltimore City Administration), et al

- SB 774 Sales and Use Tax -- Exemption -- Prisoner of War and Missing in Action Flags**
Providing that the sales and use tax does not apply to the sale of prisoner of war flags or missing in action flags honoring and remembering military personnel who have served in the Armed Forces of the United States.
EFFECTIVE JULY 1, 2000
Senator Green, et al
- SB 837 Dorchester County -- Property Tax Credit -- Agricultural Land in Agricultural Preservation District**
Authorizing the governing body of Dorchester County to grant a property tax credit for property tax imposed on agricultural land that is located in an agricultural preservation district or is subject to an agricultural land preservation easement or similar easement.
EFFECTIVE JULY 1, 2000
Senator Colburn
- SB 874 Property Tax Credit -- Dental Equipment in Underserved Areas**
Authorizing the Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation to grant, by law, a tax credit against the county or municipal corporation property tax imposed on personal property used in practicing dentistry in a geographic area of the State designated by the Secretary of Health and Mental Hygiene as being underserved by dentists.
EFFECTIVE JULY 1, 2000
Senator Lawlah
- HB 13 Inheritance Tax -- Exemption for Lineal Beneficiaries and Siblings**
Exempting from the inheritance tax property that passes from a decedent to or for the use of specified relatives of a decedent or to or for the use of a corporation owned by specified relatives of a decedent; etc.
VARIOUS EFFECTIVE DATES
Delegate Taylor, et al
- HB 14 Maryland Research and Development Tax Credit**
Allowing a State income tax credit in the amount of 3\% of qualified Maryland research and development expenses, not exceeding the Maryland base amount for the individual or corporation, incurred or paid during a taxable year and 10\% of the amount by which the Maryland qualified research and development expenses incurred or paid during a taxable year exceed the base amount; providing for applications to the Department of Business and Economic Development for approval and certification of credit amounts; etc.
EFFECTIVE JULY 1, 2000
Delegate Taylor, et al
- HB 20 Maryland Clean Energy Incentive Act**
Providing an exemption from the sales and use tax for specified appliances that meet or exceed applicable energy efficiency guidelines; allowing a credit against the motor vehicle excise tax for a qualified electric vehicle or a qualified hybrid vehicle; allowing a credit against the State income tax for specified costs of specified equipment that uses solar energy to generate electricity or to heat or cool a structure or provide hot water for use in a structure; etc.
EFFECTIVE JULY 1, 2000
Delegate Taylor, et al
- HB 128 Sales and Use Tax -- Tobacco Use Cessation Products**
Exempting from the sales and use tax the sale of nicotine patches, nicotine gum, or any other product intended for use as an aid in tobacco use cessation and approved by the United States Food and Drug Administration for that purpose.
EFFECTIVE JULY 1, 2000

Delegate Doory

HB 144 Tax Credits -- New or Expanded Business Premises

Reducing from 25 to 10 the required number of individuals who must be employed by a business in new permanent full--time positions for the business to qualify for a property tax credit allowed for new or expanded businesses in a county with a population under 30,000.

EFFECTIVE JULY 1, 2000

Delegate Walkup, et al

HB 157 Real Property -- Recordation -- Lien for Unpaid Personal Property Taxes

Providing that requirements for specified payment of specified personal property taxes before the property may be transferred on the assessment books or records do not apply to specified grants of land made by a deed in lieu of foreclosure; providing that specified land is free and clear of any lien or claim of lien for unpaid taxes on personal property under specified circumstances; etc.

EFFECTIVE JULY 1, 2000

Delegates Hixson and Franchot

HB 170 Sales and Use Tax -- Tax--Free Week

Designating the week of August 10, 2001, through August 16, 2001, as a tax--free week during which various sales and use tax exemptions will apply; defining the term accessory items; providing for exemptions from the sales and use tax for various clothing and accessory items during the back--to--school tax--free shopping week; etc.

EFFECTIVE JULY 1, 2000

Delegate Cryor, et al

HB 196 Worcester County -- Property Tax Credit -- Pocomoke City Chamber of Commerce

Authorizing the governing body of Worcester County or of a municipal corporation in Worcester County to grant, by law, a property tax credit against the county or municipal corporation property tax imposed on property that is owned by a specified organization; authorizing Worcester County or a municipal corporation in the County to provide for specified provisions relating to the property tax credit; etc.

EFFECTIVE JULY 1, 2000

Delegate Bozman, et al

HB 197 Worcester County -- Property Tax Credit -- Ocean City Chamber of Commerce

Authorizing the governing body of Worcester County to grant, by law, a property tax credit against the county property tax imposed on property that is owned by a specified organization; authorizing Worcester County to provide for specified provisions relating to property tax credits granted by the County; etc.

EFFECTIVE JULY 1, 2000

Delegate Bozman, et al

HB 260 Sales and Use Tax -- Resale Certificates -- Out--of--State Vendors

Altering requirements for the use of resale certificates under the sales and use tax by allowing a vendor to accept a resale certificate for the sale of an antique or used collectible that provides a sales and use tax registration number of another state if the certificate states that the buyer is an out--of--state vendor who does not engage in the business of an out--of--state vendor in Maryland; providing that a sales and use tax registration license or comparable license from another state be provided to a vendor; etc.

EFFECTIVE JULY 1, 2000

Delegate Rzepkowski, et al

HB 315 Somerset County -- Property Tax Credits

Repealing a provision authorizing the governing body of Somerset County to grant, by law, a property tax

credit against the county property tax imposed on real property owned by the Crisfield Area Chamber of Commerce or the J. Millard Tawes Foundation; and authorizing the governing body of Somerset County to grant, by law, a property tax credit against the county property tax imposed on real property owned by the Crisfield Heritage Foundation, Inc.

EFFECTIVE JULY 1, 2000
Somerset County Delegation

HB 338 Natural Resources -- Boat Excise Tax -- Certificate of Title

Altering the definition of "fair market value" under the boat excise tax to eliminate the requirement that a licensed dealer take title to a used vessel that is traded in as part of the consideration for the sale of a new vessel in order to qualify for an exclusion from the computation of the boat excise tax; altering the definition as to the sale of a vessel by a dealer licensed by another state or a foreign country; etc.

EFFECTIVE JULY 1, 2000
Delegate McClenahan, et al

HB 346 Property Tax -- Talbot County -- Personal Property

Authorizing the governing body of Talbot County or of a municipal corporation in Talbot County to grant, by law, a property tax credit against the County or municipal corporation property tax imposed on personal property; specifying the authority of the governing body of the County or municipal corporation with respect to the credit; etc.

EFFECTIVE JULY 1, 2000
Delegates Schisler and Eckardt

HB 394 Sales and Use Tax -- Bulk Vending Machines

Exempting from the sales and use tax a sale of tangible personal property through a bulk vending machine for a taxable price of 25 cents or less; and defining bulk vending machine for purposes of the exemption.

EFFECTIVE JULY 1, 2000
Delegate Hixson, et al

HB 485 Wicomico County -- Property Tax Credit -- Salisbury Area Chamber of Commerce, Inc.

Authorizing the governing body of Wicomico County or of a municipal corporation in Wicomico County to grant, by law, a property tax credit against the county or municipal corporation property tax imposed on property that is owned by a specified organization; authorizing Wicomico County or a municipal corporation in the County to provide for specified provisions relating to the property tax credit; etc.

EFFECTIVE JULY 1, 2000
Delegate Conway, et al

HB 536 Baltimore City -- Tax Credit Termination Date -- Newly Constructed and First Purchased Dwellings

Altering from June 30, 2000, to June 30, 2002, the termination date applicable to provisions of law authorizing the Mayor and City Council of Baltimore City to grant a property tax credit against the local property tax imposed on newly constructed dwellings or first purchased dwellings that meet specified requirements.

EFFECTIVE JULY 1, 2000
Delegates Campbell and McHale

HB 567 Charles County -- Property Tax Credits

Providing that the governing body of Charles County may grant to new businesses locating in the County a property tax credit for machinery and equipment used in manufacturing, assembling, processing, or refining products for sale or for new facilities in the generation of electricity and may define, fix, or limit the terms thereof; etc.

EFFECTIVE JUNE 1, 2000

Charles County Delegation

HB 589 Homeowners' Property Tax Credit -- Home Purchasers -- Residency Eligibility

Altering the definition of "dwelling" for the purpose of determining eligibility for the homeowners' property tax credit so as to require that a home purchaser applicant occupy a dwelling for the remainder of the taxable year in which the tax credit is sought; and providing for the application of the Act.

EFFECTIVE JULY 1, 2000

Delegate C Davis

HB 590 Homeowners' Property Tax Credit -- Home Purchaser Applications

Authorizing home purchasers to apply for a homeowners' property tax credit after execution of a contract of sale on a dwelling; requiring home purchasers applying for the tax credit to apply within a specified period and provide the Department with a copy of the executed contract of sale; authorizing the Department to determine the amount of the tax credit a home purchaser may receive; requiring the Department to provide written notice of its decision to a home purchaser applying for the tax credit; etc.

EFFECTIVE JUNE 1, 2000

Delegate C Davis, et al

HB 618 Caroline County -- Property Tax Credit -- Habitat for Humanity, Incorporated

Authorizing the governing body of Caroline County to grant, by law, a property tax credit against the county property tax imposed on real property renovated as housing by Caroline County Habitat for Humanity, Incorporated; requiring Caroline County Habitat for Humanity, Incorporated to file an annual report with the governing body of Caroline County; authorizing the County to provide, by law, specified provisions relating to the property tax credit; etc.

EFFECTIVE JULY 1, 2000

Delegate Eckardt, et al

HB 663 Sales and Use Tax -- Exemption -- Prisoner of War and Missing in Action Flags

Providing that the sales and use tax does not apply to the sale of prisoner of war flags or missing in action flags honoring and remembering military personnel who have served in the armed forces of the United States.

EFFECTIVE JULY 1, 2000

Delegate Healey, et al

HB 671 Property Tax Credit -- Community Associations

Authorizing the Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation to grant, by law, a property tax credit against the county or municipal corporation property tax imposed on personal property owned by community associations.

EFFECTIVE JULY 1, 2000

Delegate Turner, et al

HB 729 Maryland--Mined Coal -- Tax Credits

Modifying a credit available to public service companies against the public service company franchise tax and a credit available against the income tax for cogenerators, based on the purchase of Maryland--mined coal, by eliminating the 1986 base year limitation; extending availability of the credit against the income tax to specified electricity suppliers; eliminating the existing sunset applicable to the credit against the public service company franchise tax; etc.

EFFECTIVE JULY 1, 2000

Garrett County Delegation and Allegany County Deleg

HB 743 Baltimore City -- Tax Sales -- Abandoned Property

Altering the applicability of provisions authorizing specified abandoned property in Baltimore City to be sold for a sum less than a specified amount otherwise due for tax sales; requiring the collector to establish a minimum bid for the sale of specified abandoned property at a tax sale; providing that a tax sale certificate for abandoned property reverts to the City and is void as to a private purchaser unless a foreclosure proceeding is filed within 3 months and a foreclosure decree is secured within 18 months; etc.

EFFECTIVE JULY 1, 2000

Delegate Marriott, et al

HB 744 Baltimore City -- Release of Liens for Unpaid City Real Property Taxes

Authorizing the Board of Estimates of Baltimore City to release any liens for unpaid city real property taxes if specified conditions are met, including the Baltimore City Department of Housing and Community Development certifying that the property is a vacant lot or has a building or structure that is vacant and unsafe or unfit for habitation; etc.

EFFECTIVE JULY 1, 2000

Delegate Marriott (Baltimore City Administration), et al

HB 792 Recordation Tax -- Payment and Collection

Providing for collection of the recordation tax by a county tax collector or by the clerk of the circuit court, as designated by the governing body of a county; and requiring a county tax collector to deduct from the recordation tax and remit to the Comptroller a specified percentage for fiscal year 2001.

EFFECTIVE JULY 1, 2000

Delegates Marriott and Bozman

HB 794 Sales and Use Tax -- Exemption for Digital Telecommunications Machinery and Equipment

Exempting from the sales and use tax sales, on or after January 1, 2000, but before January 1, 2008, of machinery or equipment that enables a television or radio station to comply with or to facilitate compliance with the Telecommunications Act of 1996 and to originate and broadcast or to receive and broadcast digital signals.

EFFECTIVE JULY 1, 2000

Delegate Finifter, et al

HB 808 Garrett County -- Agricultural Land -- Property Tax Credits

Authorizing the County Commissioners of Garrett County to grant a property tax credit of up to 100% against the county property tax on agricultural land in an agricultural land preservation district; authorizing the county to recapture taxes, plus interest, if the land is removed from a district; etc.

EFFECTIVE JULY 1, 2000

Delegate Edwards

HB 821 Property Tax Credits -- Construction

Providing that a law granting or authorizing a property tax credit may not be construed to affect eligibility of any entity for a property tax exemption; and providing for the prospective application of the Act.

EFFECTIVE JUNE 1, 2000

Delegate Bozman, et al

HB 830 Revitalization Property Tax Credits -- Rehabilitated Real Property

Authorizing the Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation to grant, by law, a property tax credit for real property that is rehabilitated under regulations adopted by the governing body; authorizing the Mayor and City Council or the governing body of a county or of a municipal corporation to provide for the amount and duration of the property tax credit, subject to specified limits; etc.

EFFECTIVE JULY 1, 2000

Delegate Bozman, et al

- HB 918 Montgomery County -- Property and Income Taxes -- Neighborhood Stabilization Credits MC 17--00**
Authorizing the governing body of Montgomery County to grant, by law, a property tax credit against county property tax imposed on specified owner--occupied, residential real property; providing for the eligibility criteria for the credit; providing for the phaseout of the credit; specifying the taxable year in which the tax credit is first applicable; requiring the County Executive of Montgomery County to hold a public hearing, under specified circumstances; etc.
EFFECTIVE JUNE 1, 2000
Montgomery County Delegation
- HB 926 Film Production Activity -- Sales and Use Tax Exemption**
Providing a sales and use tax exemption for tangible personal property and taxable services used in a film production activity; authorizing the Department of Business and Economic Development to certify applicants for the exemption; requiring the Department to conduct a study and report to the General Assembly on the effect of the tax credit and the potential economic effect of a specified income tax exemption on the film and video production industry in the State and on the actual effect of similar credits enacted in other states; etc.
EFFECTIVE JULY 1, 2000
Chairman W&M (Dept), et al
- HB 945 County Income Tax Disparity Grants**
Altering the calculation of State grants to counties based on disparities in county income tax revenues to account for the alteration of the computation of the county income tax; altering requirements for eligibility for the grants to account for the alteration of the computation of the county income tax; and applying the Act to grants for fiscal years beginning on or after July 1, 2001.
Delegate Hixson
- HB 981 Sales and Use Tax -- Fuel or Repair Part for Commercial Vessels**
Broadening the applicability of an exemption under the sales and use tax for fuel or a repair part for commercial fishing vessels to include vessels otherwise used for commercial purposes.
EFFECTIVE JULY 1, 2000
Delegate Bozman, et al
- HB 1004 Prince George's County -- Transfer Tax Rate PG 403--00**
Creating a Task Force on the Prince George's County Transfer Tax Rate; requiring the Task Force to conduct a thorough review of the transfer tax rate in Prince George's County and its effect on citizens, businesses, and schools in the County; specifying the composition, powers, and duties of the Task Force; etc.
EFFECTIVE JUNE 1, 2000
Prince George's County Delegation
- HB 1009 Prince George's County -- Property and Income Taxes -- Neighborhood Stabilization Credits PG 408--00**
Authorizing the governing body of Prince George's County to grant, by law, a property tax credit against county property tax imposed on specified owner--occupied, residential real property; allowing residential property owners a credit against State income tax for a portion of the county property tax that has been paid; providing for the eligibility criteria for the credit; providing for the phase--out of the credit; specifying the taxable year in which the tax credit is first applicable; etc.
EFFECTIVE JUNE 1, 2000
Prince George's County Delegation

HB 1015 Work, Not Welfare, and Qualifying Employees with Disabilities Tax Credits

Altering the time period for which an individual must be on welfare for the individual to qualify for purposes of tax credits allowed to employers that hire qualified employment opportunity employees; providing for the Department of Labor, Licensing, and Regulation to administer the tax credits for employment of qualified individuals with disabilities; altering the calculation of the credit; making disabled veterans qualified individuals for purposes of the credit; extending specified provisions and dates; etc.

EFFECTIVE JULY 1, 2000

Delegate Shriver, et al

HB 1049 Cecil County -- Development Excise Tax

Authorizing the Board of County Commissioners of Cecil County to impose, by law, a development excise tax; requiring the Board to advertise and hold a public hearing before passing a local law imposing or altering the amount of the tax; limiting the tax to a maximum of \$3,500 per residential unit; requiring that the tax be deposited in a special account to be used only for specified purposes; making the Act contingent on approval of the voters of Cecil County at a local referendum; etc.

REFERENDUM -- EFF. JULY 1, 2000

Cecil County Delegation

HB 1075 Washington County -- Property Tax Credit -- Musical and Cultural Education

Authorizing the governing body of Washington County or of a municipal corporation in Washington County to grant, by law, a property tax credit against the county or municipal corporation property tax imposed on property that is owned by a specified organization; etc.

EFFECTIVE JULY 1, 2000

Washington County Delegation

HB 1103 Elevator Handrails in Health Care Facilities -- Income Tax Subtraction Modification

Allowing an income tax subtraction modification for expenses incurred to purchase and install handrails in existing elevators in health care facilities and buildings in which at least 50% of the space is used for medical purposes; and applying the Act to tax years after 1999.

EFFECTIVE JULY 1, 2000

Delegate Heller, et al

HB 1169 Property Tax Credit -- Dental Equipment in Underserved Areas

Authorizing the Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation to grant, by law, a tax credit against the county or municipal corporation property tax imposed on personal property used in practicing dentistry in a geographic area of the State designated by the Secretary of Health and Mental Hygiene as being underserved by dentists.

EFFECTIVE JULY 1, 2000

Delegate V Jones, et al

HB 1246 Recordation Tax -- Security Agreements Filed with Department of Assessments and Taxation

Exempting from the recordation tax a security agreement filed with the Department of Assessments and Taxation; correcting cross--references; making the Act effective July 1, 2001; etc.

EFFECTIVE JULY 1, 2001

Delegates Taylor and Hixson

HB 1303 Income Tax -- Subtraction Modification for Fire, Rescue, or Emergency Medical Services Membership

Reducing, over a period of 4 years, the duration of service required in bona fide Maryland volunteer fire, rescue, or emergency medical service organizations from 72 months to 36 months in order for an individual

to be eligible for a subtraction modification under the Maryland income tax; and providing for the application of the Act.

EFFECTIVE JULY 1, 2000

Delegate Conway, et al

HB 1338 Limited Liability Companies -- Tax Exemption for Transfers of Real Property to a Limited Liability Company and Conversions to a LLC

Allowing a foreign general partnership or a foreign limited partnership to convert to a Maryland limited liability company; altering the exemption from recordation and State and county transfer taxes, for an instrument in writing that transfers title to real property to a limited liability company, to include transfers from a foreign general partnership, foreign limited partnership, foreign limited liability partnership, foreign limited liability limited partnership, foreign proprietorship, or foreign joint venture; etc.

Delegate Finifter

HB 1367 Dorchester County -- Property Tax Credit -- Agricultural Land in Agricultural Preservation District

Authorizing the governing body of Dorchester County to grant a property tax credit for property tax imposed on agricultural land that is located in an agricultural preservation district or is subject to an agricultural land preservation easement or similar easement.

EFFECTIVE JULY 1, 2000

Dorchester County Delegation

HB 1400 St. Mary's County -- Transfer Tax -- Sunset

Extending the authority of the County Commissioners of St. Mary's County to impose a transfer tax on specified instruments of writing through July 1, 2005.

EFFECTIVE JULY 1, 2000

St. Mary's County Delegation

HB 1421 Streamlined Sales Tax System for the 21st Century

Requiring the Comptroller to enter discussions with other states regarding the development of a multistate, voluntary, streamlined sales and use tax collection and administration system; authorizing the Comptroller to participate in a sales tax pilot project and enter into joint agreements to test means for simplifying sales and use tax administration; requiring the Comptroller to report to the Governor and the General Assembly regarding the status of the discussions with other states; etc.

EFFECTIVE JULY 1, 2000

Delegate Hixson

HB 1427 Washington County Hotel Rental Tax

Increasing the hotel rental tax rate in Washington County from 3\% to 6\%; providing for the distribution of 45\% of revenue from the tax to the general fund of the county for the Hagerstown/Washington County Convention and Visitors Bureau and the remainder to a special fund to be used for tourism attractions, economic development, and cultural and recreational projects; prohibiting use of the hotel rental tax revenue for a stadium until specified events occur; etc.

EFFECTIVE JULY 1, 2000

Washington County Delegation

Part C
State Government

- SB 17 **State Personnel -- Organ Donation Leave**
Providing that all State employees may be entitled to organ donation leave with pay; establishing the maximum number of days of leave that an employee may use to serve as a bone marrow donor and an organ donor; requiring the employee to obtain approval for organ donation leave from the employee's appointing authority; requiring the Secretary of Budget and Management to adopt specified regulations, including a requirement for medical documentation of the proposed donation before leave is approved; etc.
Senators Hollinger and Conway
- SB 21 **Military Service Credit -- Membership in Maryland National Guard**
Authorizing members of State retirement and pension systems to receive service credit for military service as a member of the Maryland National Guard at the rate of 4 months for each full year of service, not exceeding a total of 36 months of credit.
EFFECTIVE JULY 1, 2000
Senators Stone and Bromwell
- SB 47 **Maryland Advisory Council for Individuals with Disabilities -- Membership**
Increasing the membership of the Maryland Advisory Council for Individuals with Disabilities to include the Secretary or a designee from the Department of Housing and Community Development and a member of the nonprofit housing community.
Chairman FIN (Dept)
- SB 61 **State Standby Petroleum Fuel Set--Aside Program -- Extension**
Continuing the existence of the State Standby Petroleum Fuel Set--Aside Program by extending the termination date for the Program to July 1, 2005.
EFFECTIVE JULY 1, 2000
Chairman EEA (Dept)
- SB 73 **Election Law -- Write--In Candidates**
Providing for the official reporting by boards of canvassers of write--in votes for certified write--in candidates.
Chairman EEA (Dept)
- SB 74 **Notaries Public**
Requiring a custodian of a public record to permit inspection of the part of a record that gives the home and business telephone numbers of a notary public; authorizing any Senator to approve the issuance of a notary public commission if an applicant resides in a senatorial district and subdistrict where the Senate office is vacant; providing that a commission may be issued to an individual living outside the State only if the individual's state allows a Maryland resident working in that state to serve as a notary public; etc.
Chairman JPR (Dept)
- SB 78 **State Lottery -- Sale of Lottery Tickets by State Lottery Agency**
Authorizing the Maryland State Lottery Agency to sell State lottery tickets directly to the public at a promotional or special event under specified circumstances; etc.
Chairman FIN (Dept)

- SB 79 **County Boards of Elections -- Employee Grievances**
Providing that specified county boards of elections shall be the principal unit in specified employee grievance matters.
Chairman FIN (Dept)
- SB 158 **Annual Curative Bill**
Generally curing previous Acts of the General Assembly with possible title or other defects.
EMERGENCY BILL
The President (Department of Legislative Services)
- SB 159 **Annual Corrective Bill**
Correcting specified errors and omissions in various articles of the Annotated Code and in specified uncodified laws; establishing that the Act is not intended to affect any law other than to correct technical errors; ratifying and validating specified corrections made by the publisher of the Annotated Code; applying and construing the Act; etc.
EMERGENCY -- VARIOUS EFF. DATES
The President (Department of Legislative Services)
- SB 163 **State Employees -- Procurement -- Competitive Re--Engineering Pilot Program**
Altering the date on or before which the Council on Management and Productivity must submit a specified report on the effect of the Competitive Re--Engineering Pilot Program to specified committees of the General Assembly; and extending the termination date for the Competitive Re--Engineering Pilot Program.
EFFECTIVE JULY 1, 2000
Senator Hoffman, et al
- SB 172 **State Employees -- Contractual Employees -- Credit for Service**
Providing that a contractual employee who is selected to fill a specified budgeted position be given credit for service in the contractual position for the purpose of establishing steps in the pay grade applicable to the position, annual leave, and seniority; providing that a contractual employee who is selected to fill a specified budget position become a member of the Employees' Pension System of the State of Maryland; etc.
EFFECTIVE JULY 1, 2000
Chairman FIN (Dept)
- SB 195 **World War II Memorial Fund**
Requiring the Governor to include \$250,000 in the State budget of fiscal year 2001 to the Department of Veterans Affairs, to be donated by the Department to the World War II Memorial Fund; and generally relating to the World War II Memorial Fund.
EFFECTIVE JULY 1, 2000
Senator Bromwell, et al
- SB 196 **eMaryland Initiative**
Creating the CEO Board of Advisors for E--Commerce; specifying the members of the Board; specifying the duties of the Board; creating an "eMaryland" ASP Consortium at the University of Maryland; specifying the duties of the Consortium; specifying the members of the Consortium's management committee; creating a special account in the Information Technology Investment Fund; etc.
EFFECTIVE JULY 1, 2000
The President (Administration), et al

- SB 197 Electronic Government Initiative**
Requiring the Secretary of Budget and Management to implement a specified time line for units of the Executive Branch to offer public information and services over the Internet; requiring those units to submit annual project plans to the Secretary; exempting public institutions of higher education; etc.
EFFECTIVE JULY 1, 2000
The President (Administration), et al
- SB 198 State Information Technology Board -- Membership and Duties**
Increasing the membership of the State Information Technology Board; clarifying the appointment and terms of specified members; providing for the removal of any member of the Board under specified circumstances; requiring the Board to make recommendations about Internet--based applications and services for State government and educational institutions; etc.
EFFECTIVE JUNE 1, 2000
The President (Administration), et al
- SB 199 Public Records -- Privacy Policies and Data Security**
Requiring that personal records be collected by units of government only under specified circumstances and subject to specified conditions; requiring custodians of public records to collect personal information in a specified manner; requiring units of State government to post privacy policies on their web sites; etc.
The President (Administration), et al
- SB 202 Procurement -- Prevailing Wage -- School Construction**
Repealing a specified limitation on the applicability of the Prevailing Wage Law to the construction of an elementary or secondary school; requiring that specified school contracts be awarded with consideration given to the bidder's plans for utilization of minority contractors; requiring that prequalification questionnaires include specified information; etc.
EFFECTIVE JULY 1, 2000
The President (Administration), et al
- SB 204 State Government -- Department of Planning**
Renaming the Office of Planning to be the Department of Planning and making it a principal department of State government; specifying that the head of the Department of Planning is the Secretary of Planning; specifying the duties and functions of the Secretary of Planning; etc.
EFFECTIVE JULY 1, 2000
The President (Administration), et al
- SB 205 Maryland Teacher Scholarships**
Increasing the maximum amount of a Maryland teacher scholarship to \$5,000 for a student enrolled in a 4--year institution and to \$2,000 for a student enrolled in a 2--year institution; authorizing recipients of specified Maryland scholarships, grants, or awards to be eligible for specified other State financial assistance; etc.
The President (Administration), et al
- SB 207 Smart Codes -- Maryland Building Rehabilitation Code**
Requiring the adoption of the Maryland Building Rehabilitation Code for specified purposes; providing for the enforcement of the Code; specifying which units must adopt regulations; setting standards for the regulations; establishing the Maryland Building Rehabilitation Code Advisory Council; setting the Council's duties and membership; etc.
EFFECTIVE JULY 1, 2000
The President (Administration), et al

- SB 220 Teachers' Retirement and Pension Systems -- Reemployment of Retired Personnel**
Exempting from an offset of a retirement allowance retirees of the Teachers' Retirement System or the Teachers' Pension System who are employed in specified personnel positions; requiring county boards of education to provide information to the State Retirement Agency on personnel who qualify for the exemption; requiring the State Board of Education to adopt regulations; etc.
EFFECTIVE JULY 1, 2000
Senator Green, et al
- SB 264 Memorial Day -- Moment of Silence**
Requiring the Governor to issue each year a proclamation encouraging the citizens of Maryland, the media, government departments and agencies, and business and recreational facilities to observe a moment of silence at 3 p.m. on Memorial Day to unite in remembrance and commemorate the acts and efforts of Marylanders who have served and died in the armed forces.
Senator Hooper, et al
- SB 299 Maryland Veterans Commission -- Membership**
Adding a representative from the Maryland Coalition of the Retired Enlisted Association to the Maryland Veterans Commission.
Senator DeGrange, et al
- SB 300 Elections -- Baltimore City -- Compensation of Election Board Members and Election Judges**
Increasing the minimum annual salaries of the president and members of the Baltimore City Board of Elections; increasing the minimum compensation of substitute members of the Baltimore City Board of Elections; and increasing the compensation for election judges in Baltimore City.
Senator McFadden, et al
- SB 381 Election Law -- Identification**
Providing that a political action committee that makes a transfer to the treasurer or political committee of a candidate or a slate of candidates shall display its official name, as filed with the State Board of Elections, and a reference that the entity is a political action committee or "PAC", in a prominent place on the face of the check by which the PAC makes a transfer; modifying a requirement regarding the identification of a candidate by residency; etc.
EFFECTIVE JULY 1, 2000
Senator Frosh, et al
- SB 448 State Personnel -- Payment of Wages -- Direct Deposit**
Authorizing the State Treasurer, on warrant of the State Comptroller, to pay a wage by direct deposit; providing that the payment of wages by direct deposit shall be made in accordance with regulations adopted by the State Treasurer, with the concurrence of the State Comptroller; and providing that regulations adopted by the State Treasurer may not require the payment of wages by direct deposit for specified employees and shall require that employees, when hired, be notified of the right to request an exemption.
Senator Currie, et al (Management of Public Funds)
- SB 463 State Personnel -- Employees Transferred to the Child Support Enforcement Administration of the Department of Human Resrcs**
Requiring that specified employees of a local support enforcement office who are transferred to the Child Support Enforcement Administration of the Department of Human Resources must be credited with the years of service with the local jurisdiction for purposes of seniority, including the determination of specified layoff rights; requiring that the salary grade of the transferred employees must be determined in a specified manner; and applying the Act.
EFFECTIVE JULY 1, 2000

Senator Stone

SB 541 State Government -- Procurement -- Conflict of Interests

Providing that an individual, or the employer of that individual, who assists in a selection or award made in response to a solicitation for bids or a request for proposals in a State procurement may not submit a bid or proposal or assist another person who submits a bid or proposal; requiring that an invitation for bids or request for proposals for the selection of a consultant who will assist in specified State contracting activities require the submission of an affidavit addressing conflicts of interest; etc.

Senator McCabe

SB 585 State Government -- Maryland Program Evaluation Act -- Corrective Bill

Altering the dates by which evaluations must be made of governmental activities and units under the Maryland Program Evaluation Act; making technical changes to the codification of the timetables for the evaluations; and altering the date by which preliminary evaluation reports shall be prepared.

The President (Department of Legislative Services)

SB 607 State Procurement -- Information Technology -- Nonvisual Access

Requiring the Chief of Information Technology in the Department of Budget and Management to issue and enforce nonvisual access standards to be used in the procurement of information technology and the provision of information technology services by or on behalf of units of State government; requiring the adoption of the standards on or before January 1, 2003; requiring the inclusion of a nonvisual access clause in each request for proposal or solicitation of bids in State procurement; etc.

Senator Conway, et al

SB 618 Correctional Officers' Retirement System -- Transfer of Service Credit from Employees' Pension System

Authorizing members of the Correctional Officers' Retirement System to receive eligibility service credit in the Correctional Officers' Retirement System for service transferred from the Employees' Pension System if the member was vested in the Employees' Pension System; providing for a specified limit to the eligibility service transferred; etc.

EFFECTIVE JULY 1, 2000

Senators Hogan and Currie

SB 647 Local Boards of Election -- Employee Compensation

Requiring the State Board of Elections, upon the recommendation of the State Administrator of Elections, to determine the fixed rate of compensation of local election board employees.

EFFECTIVE JULY 1, 2000

Senators Neall and Middleton

SB 740 Procurement -- Action by Supplier on Payment Security

Prohibiting an executory contract between a person and a supplier that is related to a construction contract from waiving or requiring a supplier to waive the right to sue on payment security provided by a contractor; prohibiting an executory contract between a person and a supplier that conditions payment to the supplier on receipt of payment by the person from a third person, from containing a provision abrogating or waiving the right of a supplier to sue on payment security; etc.

Senator Haines

SB 808 Procurement -- Minority Business Enterprise Participation

Modifying the threshold governing the application of the State's Minority Business Enterprise Program to Maryland Department of Transportation construction contracts; continuing until July 1, 2002, specified provisions of the State Procurement Law relating to procurement from minority businesses; requiring an

executive summary of a study of the Minority Business Enterprise Program; etc.

EFFECTIVE JULY 1, 2000

Senator Conway, et al

SB 843 Election Law -- Election Judges -- Residency Requirements

Altering the residency requirements for election judges; and altering a provision of law authorizing a local board of elections to appoint an election judge if no individual can be found in a specified area.

EFFECTIVE JULY 1, 2000

Senator Green

SB 854 Commission to Coordinate the Study, Commemoration, and Impact of Slavery's History and Legacy in Md

Creating the Commission to Coordinate the Study, Commemoration, and Impact of Slavery's History and Legacy in Maryland; providing for the purpose of the Commission; providing for the membership of the Commission and the appointment, terms, and compensation of the members; providing for the staffing of the Commission; requiring the initial members to be appointed on or before October 1, 2000; etc.

EFFECTIVE JULY 1, 2000

Senator Blount, et al

SB 866 Teachers' Retirement and Pension Systems -- Employment by Private Contractors

Authorizing specified members of the Teachers' Retirement System and the Teachers' Pension System who become employed by private contractors to work in a school that is reconstituted by order of the Maryland State Board of Education the right to withdraw their accumulated contributions; authorizing reinstatement rights for specified prior members of the Teachers' Retirement System and the Teachers' Pension System; authorizing specified former members to purchase service credit under specified circumstances; etc.

EFFECTIVE JULY 1, 2000

Senators Hoffman and McFadden

SB 900 State Government -- Forms Management -- Extension of Implementation Date for School Data

Extending the implementation date until July 1, 2003, for the applicability of the standards enacted by Chapter 459 of the Acts of 1998 for data collection forms for schools, school systems, and the State Department of Education.

Senator Blount

HB 32 Higher Education -- Edward T. Conroy Memorial Scholarship Program

Providing that a scholarship granted under the Edward T. Conroy Memorial Scholarship Program may not be less than the lesser of \$3,000 or the equivalent annual tuition and mandatory fees of a resident of the institution attended by the recipient; etc.

EFFECTIVE JULY 1, 2000

Delegate Leopold, et al

HB 34 Militia -- Honor Guard -- Compensation

Establishing a specified minimum compensation, not to exceed the greater of 75% of 1 day's basic pay or the required minimum wage, for members of an honor guard organized by the Adjutant General to attend the burial service of a deceased veteran.

Delegate Leopold, et al

HB 37 Social Security Numbers on Identification Cards -- Prohibitions

Prohibiting a local government from printing or having printed a local government employee's Social Security number on any type of identification card; prohibiting public institutions of higher education from

printing or having printed an employee's or a student's Social Security number on any type of identification card; prohibiting public schools from printing or having printed a student's Social Security number on any type of identification card; etc.

EFFECTIVE JULY 1, 2001

Delegates Kagan and Minnick

HB 95 Comptroller -- Issuance of Cigarette Licenses

Requiring the Comptroller to investigate applications for specified licenses issued or renewed by the Comptroller; expanding the circumstances under which the Comptroller may deny a license to any applicant, reprimand a licensee, or suspend or revoke a license; requiring the Comptroller to grant a waiver from specified provisions of the Act to applicants or licensees under specified circumstances; etc.

Chairman ECM (Dept)

HB 106 State Personnel -- Organ Donation Leave

Providing that specified State employees may be entitled to organ donation leave with pay; establishing the maximum number of days of leave that an employee may use to serve as a bone marrow and organ donor; providing that an employee may use organ donation leave only after obtaining approval from the employee's appointing authority; requiring the Secretary of Budget and Management to adopt specified regulations, including a requirement for medical documentation of the proposed donation before leave is approved; etc.

Delegate Hammen

HB 111 Memorial Day -- Moment of Silence

Requiring the Governor to each year issue a proclamation encouraging the citizens of Maryland and specified entities to observe a moment of silence at 3 p.m. on Memorial Day to unite in remembrance and commemorate the acts and efforts of Marylanders who have served and died in the United States armed forces.

Delegate Riley, et al

HB 136 Pensions and Retirement -- Accidental Disability Applications

Altering a provision of law that prohibits the Board of Trustees for the State Retirement and Pension System from accepting an application for accidental disability retirement more than 5 years after the date of a claimed accident; and providing for the Act to apply to applications filed on or after July 1, 1999.

EFFECTIVE JULY 1, 2000

Delegates Owings and O'Donnell

HB 149 Penalty for Possession of Unstamped or Improperly Stamped Cigarettes and Other Tobacco Products

Altering the penalties imposed for offenses pertaining to unstamped or improperly stamped cigarettes and other tobacco products; etc.

EFFECTIVE JULY 1, 2000

Chairman W&M (Dept)

HB 151 Motor Fuel Licenses -- Qualifications of Applicants

Altering the conditions under which an applicant may qualify for a motor fuel dealer's license; etc.

Chairman W&M (Dept)

HB 176 State Police Retirement System -- Military Service Credit

Authorizing members, former members, or retirees of the State Police Retirement System who were hired by the Department of State Police as aviators to operate helicopters for the State emergency medical system to receive military service credit; and providing that the Act apply to individuals who were hired by the State Police on or after July 1, 1987.

EFFECTIVE JULY 1, 2000

Delegate Proctor

HB 177 State Procurement -- Intergovernmental Cooperative Purchasing

Expanding the definition of "governmental entity" under provisions of the State procurement law concerning intergovernmental purchasing to include affiliations, alliances, consortiums, or groups composed solely of governmental entities that are established for purposes of promoting intergovernmental purchasing.

Delegate Wood

HB 267 State Employees -- Procurement -- Competitive Re--Engineering Pilot Program

Altering the date on or before which the Council on Management and Productivity must submit a specified report on the effect of the Competitive Re--Engineering Pilot Program to specified committees of the General Assembly; and extending the termination date for the Competitive Re--Engineering Pilot Program.

EFFECTIVE JULY 1, 2000

Delegate Rawlings, et al

HB 274 Electronic Government Initiative

Requiring the Secretary of Budget and Management to implement a specified time line for units of the Executive Branch of State government to offer public information and services over the Internet; requiring those units to report on their plans; requiring the statewide information technology master plan to include standards to assure nonvisual access to information and services made available to the public over the Internet under specified circumstances; etc.

EFFECTIVE JULY 1, 2000

The Speaker (Administration), et al

HB 275 State Information Technology Board -- Membership and Duties

Increasing the membership of the State Information Technology Board; requiring the Board to make recommendations about Internet--based applications and services for State government and educational institutions; clarifying the appointment and terms of specified members; providing for the removal of any member of the Board under specified circumstances; etc.

EFFECTIVE JUNE 1, 2000

The Speaker (Administration), et al

HB 276 eMaryland Initiative

Creating the CEO Board of Advisors for E--Commerce; specifying the members of the Board; specifying the duties of the Board; creating the "eMaryland" ASP Consortium at the University of Maryland; specifying the duties of the Consortium; specifying the members of the Consortium's management committee; creating a special account in the Information Technology Investment Fund; etc.

EFFECTIVE JULY 1, 2000

The Speaker (Administration), et al

HB 277 Public Records -- Privacy Policies and Data Security

Requiring that personal records be collected by units of government only under specified circumstances and subject to specified conditions; requiring custodians of public records to collect, to the greatest extent practicable, personal information in a specified manner; requiring the Secretary of Budget and Management to report annually to the General Assembly on specified personal records exempted by regulations under the Act; requiring units of State government to post privacy policies on their web sites; etc.

The Speaker (Administration), et al

HB 281 Maryland Teacher Scholarships

Increasing to \$5,000 the maximum amount of a Maryland teacher scholarship for a student enrolled in a 4--year institution; authorizing recipients of specified State scholarships, grants, or awards to be eligible for specified other State scholarships, grants, or awards; etc.

The Speaker (Administration), et al

HB 284 Smart Codes -- Maryland Building Rehabilitation Code

Requiring the adoption of the Maryland Building Rehabilitation Code (MBRC); providing for the enforcement of the MBRC; specifying which units must adopt regulations; setting standards for the regulations; establishing the Maryland Building Rehabilitation Code Advisory Council; setting the Council's duties and membership; etc.

EFFECTIVE JULY 1, 2000

The Speaker (Administration), et al

HB 285 Smart Codes -- Models and Guidelines -- Infill Development and Smart Neighborhoods

Requiring the Office of Planning to draft model land--use codes for infill and smart neighborhood development and to draft guidelines for local governments to encourage that development; requiring the Office of Planning to circulate the codes and guidelines to and work with State and local units; etc.

EFFECTIVE JULY 1, 2000

The Speaker (Administration), et al

HB 286 State Government -- Department of Planning

Renaming the Office of Planning to be the Department of Planning, and making it a principal department of State government; specifying that the head of the Department of Planning is the Secretary of Planning; specifying the duties and functions of the Secretary of Planning; etc.

EFFECTIVE JULY 1, 2000

The Speaker (Administration)

HB 287 Procurement -- Minority Business Enterprise Participation

Modifying the threshold governing the application of the State's Minority Business Enterprise Program to Maryland Department of Transportation construction contracts; extending until July 1, 2002, provisions of law regarding procurement from minority businesses; requiring an executive summary of a study of the Minority Business Enterprise Program to be submitted to the Legislative Policy Committee of the General Assembly by December 1, 2000; extending to January 10, 2001, the deadline for completion of a final report; etc.

EFFECTIVE JULY 1, 2000

Delegate Dobson, et al

HB 348 Retirement and Pensions -- Transfers to or from Contributory Employees' Pension System or Teachers' Pension Sys

Altering provisions that relate to the transfer of service credit to or from specified State or local retirement or pension systems and to or from the Employees' Pension System or the Teachers' Pension System by members or former members who are subject to a certain contributory pension benefit; altering the amount of the contributions to be deposited for the transfer of service credit to or from the part of the Employees' Pension System or the Teachers' Pension System that provides a contributory pension benefit; etc.

EFFECTIVE JULY 1, 2000

Delegate Proctor (Chairman Joint Committee on Pensions)

HB 349 Employees' Pension System -- Purchase of Service Credit

Altering the amount that a member of the Employees' Pension System who is not an employee of a participating governmental unit or former participating governmental unit that has withdrawn from participation in the Employees' Pension System shall pay to the Board of Trustees of the State Retirement

and Pension System when purchasing service credit for periods of employment with the State.

EFFECTIVE JULY 1, 2000

Delegate Proctor (Chairman Joint Committee on Pensions)

HB 404 Correctional Officers' Retirement System -- Transfer of Service Credit from Employees' Pension System

Authorizing members of the Correctional Officers' Retirement System to receive eligibility service credit in the Correctional Officers' Retirement System for service transferred from the Employees' Pension System if the member was vested in the Employees' Pension System; providing for a specified limit to the eligibility service transferred; etc.

EFFECTIVE JULY 1, 2000

Delegate A Jones, et al

HB 419 State Retirement and Pension System -- Administrative Expense Cap

Altering the base upon which the limit on the amount of the administrative and operational expenses of the Board of Trustees of the State Retirement and Pension System and the State Retirement Agency is calculated.

EFFECTIVE JULY 1, 2000

Delegate Proctor (Chairman Joint Committee on Pensions)

HB 420 Employees' and Teachers' Retirement and Pension Systems -- Transfers of Service Credit

Clarifying that transfers between a State employees' retirement or pension system and a State teachers' retirement or pension system are not subject to provisions of law concerning transfers between State and local retirement or pension systems under specified circumstances; clarifying that eligibility service for a member who has transferred between the Employees' Retirement System and the Teachers' Retirement System includes eligibility service recognized under the previous system; etc.

EFFECTIVE JULY 1, 2000

Delegate Proctor (Chairman Joint Committee on Pensions)

HB 421 Employees' and Teachers' Pension Systems -- Contributory Pension Benefit

Providing that on the return of accumulated contributions of former members of the Employees' Pension System or the Teachers' Pension System who are entitled to contributory pension benefits, the former members are not entitled to further benefits on account of membership in the systems, except under specified circumstances; providing for membership in the Employees' Pension System or the Teachers' Pension System to continue for a specified period of time after separation from employment under specified circumstances; etc.

EFFECTIVE JULY 1, 2000

Delegate Proctor (Chairman Joint Committee on Pensions)

HB 423 Employees' Pension System -- Participating Governmental Units -- Local Pension System

Deleting from the definition of "special accrued liability" of the Employees' Pension System for participating governmental units the portion of the liability associated with the retirees of the units; providing that an eligible governmental unit may elect to continue to operate a local pension system after the effective date of participation in the Employees' Pension System under specified circumstances; etc.

EFFECTIVE JULY 1, 2000

Delegate Proctor (Chairman Joint Committee on Pensions)

HB 449 Election Law -- Deceased Registered Voters

Requiring an election director to mail notice to a registered voter, as prescribed by the State Board, when the local board becomes aware of an obituary or other reliable report of the death of the registered voter, to verify whether the voter is in fact deceased; providing specified procedures for removal; etc.

EFFECTIVE JUNE 1, 2000
Chairman CGM (Dept)

- HB 509 Frederick County -- Employees' Pension System -- Contributory Pension Benefit**
Allowing the employees of Frederick County who are members of the Employees' Pension System to become subject to a contributory pension benefit that alters the benefits those members receive and requires a member contribution; authorizing the purchase of service credit under specified circumstances; altering a cost--of--living adjustment of specified allowances; requiring Frederick County to pay for the additional pension liabilities according to a specified amortization schedule approved by the Board of Trustees; etc.
CONTINGENT -- EFF. JULY 1, 2000
Frederick County Delegation
- HB 518 Maryland Veterans Commission -- Membership**
Adding a representative from the Maryland Coalition of the Retired Enlisted Association to the Maryland Veterans Commission.
Delegate Love, et al
- HB 520 Maryland State Arts Council -- Duties**
Requiring the Maryland State Arts Council to publish an annual report; and authorizing the publication of specified materials.
Delegate Cadden, et al
- HB 525 State Personnel -- Employees Transferred to the Child Support Enforcement Administration of the Department of Human Resrcs**
Requiring that specified employees of a local support enforcement office who are transferred to the Child Support Enforcement Administration of the Department of Human Resources must be credited with the years of service with the local jurisdiction for purposes of seniority, including the determination of specified layoff rights; requiring that the salary grade of the transferred employees must be determined in a specified manner; and applying the Act.
EFFECTIVE JULY 1, 2000
Delegate A Jones, et al
- HB 592 State Procurement -- Information Technology -- Nonvisual Access**
Requiring the Chief of Information Technology in the Department of Budget and Management to issue and enforce nonvisual access standards to be used in the procurement of information technology and the provision of information technology services by or on behalf of units of State government; requiring the adoption of the standards on or before January 1, 2003; requiring the inclusion of a nonvisual access clause in each request for proposal or solicitation of bids in State procurement; etc.
Delegate Benson, et al
- HB 600 Procurement -- Construction Contracts -- Prompt Payment**
Limiting the retainage that may be specified in a State procurement contract for construction under specified circumstances; authorizing a primary procurement unit to withhold payments from a contractor in addition to retainage for specified purposes; restricting the amount that a contractor may withhold from a subcontractor; etc.
Delegate DeCarlo
- HB 604 Law Enforcement Officers' Pension System -- Benefits**
Changing the contribution rate for specified members of the Law Enforcement Officers' Pension System; altering the formula for computing the retirement allowance of specified members of the Pension System; establishing a Deferred Retirement Option Program for specified members; changing the criteria for

receiving an accidental disability retirement allowance; modifying the cost--of--living adjustment for specified members; repealing an exception to provisions of law that govern transfers between specified systems; etc.

CONTINGENT -- EFF. JULY 1, 2000

Chairman APP (Dept)

HB 605 Law Enforcement Officers' Pension System -- Police Officers and Fire Rescue Employees -- Membership

Providing that specified employees of the BWI Airport Fire & Rescue Department, the Department of Health and Mental Hygiene, the Department of General Services, the Motor Vehicle Administration, and the Department of Labor, Licensing, and Regulation are in the Law Enforcement Officers' Pension System.

EFFECTIVE JULY 1, 2000

Chairman APP (Dept)

HB 702 State Government -- Procurement -- Conflict of Interests

Providing that an individual who assists in a selection or award made in response to a solicitation for bids or a request for proposal in a State procurement, or the employer of that individual, may not submit a bid or proposal or assist another person who submits a bid or proposal; requiring that an invitation for bids or request for proposals for the selection of a consultant who will assist in specified State contracting activities require the submission of an affidavit addressing conflicts of interest; etc.

Delegate McIntosh, et al

HB 881 Local Boards of Election -- Employee Compensation

Requiring the State Board of Elections, upon the recommendation of the State Administrator of Elections, to determine the fixed rate of compensation of local election board employees.

EFFECTIVE JULY 1, 2000

Delegate Cadden, et al

HB 887 Public Service Commission and People's Counsel -- Personnel

Authorizing the Public Service Commission (PSC) and the Office of People's Counsel (OPC) to alter the salary plan and classes of their respective personnel, subject to specified review; providing that specified personnel of the PSC and of the OPC are in the executive service or the management service or are special appointments in the State Personnel Management System; requiring annual reports by specified dates; clarifying the method of funding of the Office of People's Counsel; etc.

EFFECTIVE JULY 1, 2000

Delegate Guns, et al

HB 897 Military Service Credit -- Membership in Maryland National Guard

Authorizing members of State retirement and pension systems to receive service credit for military service as a member of a unit of the National Guard at the rate of 4 months for each full year of service, not exceeding a total of 36 months of credit.

EFFECTIVE JULY 1, 2000

Delegate Conway, et al

HB 928 Procurement -- Action by Supplier on Payment Security

Prohibiting an executory contract between a supplier and a contractor or subcontractor that is related to a construction contract from waiving or requiring a supplier to waive the right to sue on payment security provided by a contractor; prohibiting an executory contract between a supplier and a contractor or subcontractor that conditions payment to the supplier on receipt of payment by the person from a third person, from containing a provision abrogating or waiving the right of a supplier to sue on payment security; etc.

Delegate Malone

HB 966 State Government -- Maryland Program Evaluation Act -- Corrective Bill

Altering the dates by which evaluations must be made of governmental activities and units under the Maryland Program Evaluation Act; making technical changes to the codification of the timetables for specified evaluations of specified governmental activities and units; and altering the date by which preliminary evaluation reports shall be prepared.

The Speaker (Department of Legislative Services)

HB 974 Ethics -- Lobbyists -- Disclosure of Business Transactions

Requiring specified individual regulated lobbyists to file reports with the State Ethics Commission disclosing any business transactions involving the exchange of value of \$1,000 or more for a single transaction or of \$5,000 or more for a series of transactions involving specified individuals and business entities, including a member of the General Assembly, the Governor, the Lieutenant Governor, the Attorney General, the Secretary of State, the Comptroller of the Treasury, the State Treasurer, and others; etc.

Delegates Taylor and Mandel

HB 1006 Prince George's County -- Retirement Contributions -- Employees of Magnet Schools Program PG 413--00

Requiring the State Retirement Agency to include in its determination of eligibility for State payment of retirement contributions employees whose salaries are paid by the Prince George's County Board of Education through funding of the Magnet Schools Program and who are members of the Teachers' Pension System or the Teachers' Retirement System; providing for the retroactive application of the Act to retirement contributions made on or after July 1, 1999; etc.

EFFECTIVE JUNE 1, 2000

Prince George's County Delegation

HB 1111 Kent County Board of Education -- Participation by Supportive Service Employees in Employees' Pension System

Making it mandatory, and not optional, for supportive service employees of the Board of Education of Kent County to participate in the Employees' Pension System as of the effective date of participation in the Employees' Pension System by the Board of Education of Kent County; and providing for supportive service employees of the Board of Education of Kent County to receive service credit for specified prior service, except under specified circumstances.

EFFECTIVE JUNE 1, 2000

Delegate Walkup, et al

HB 1252 State Employees -- Compensation for Work Performed by Essential Employees During Hurricane Floyd

Providing that essential employees of any principal unit or independent agency of the Executive Branch of State government who, due to the weather--related emergency resulting from Hurricane Floyd, were required to report to work in Anne Arundel, Cecil, Harford, or Kent County on September 16, 1999, shall be entitled to receive specified compensatory time or additional pay for the hours worked; etc.

EFFECTIVE JULY 1, 2000

Delegates Guns and Rudolph

HB 1270 State Personnel -- Compensation of State Employees

Clarifying when a State employee is eligible for overtime; creating a Sick Leave Incentive Program; increasing the death benefit for survivors of State employees killed while on duty; etc.

EFFECTIVE JULY 1, 2000

Chairman HRU (Dept)

- HB 1297 Teachers' Retirement and Pension Systems -- Employment by Private Contractors**
Authorizing specified members of the Teachers' Retirement System and the Teachers' Pension System who become employed by private contractors to work in a school that is reconstituted by order of the Maryland State Board of Education the right to withdraw their accumulated contributions; authorizing reinstatement rights for specified prior members of the Teachers' Retirement System and the Teachers' Pension System; authorizing specified former members to purchase service credit under specified circumstances; etc.
EFFECTIVE JULY 1, 2000
Delegate Rawlings, et al
- HB 1300 Maryland Stadium Authority -- Montgomery County Conference Center**
Increasing the authorized bond issuance by the Maryland Stadium Authority and the Authority's contribution toward development of the Montgomery County Conference Center; and increasing Montgomery County's contribution toward the development of the Montgomery County Conference Center.
EFFECTIVE JULY 1, 2000
Chairman HRU (Dept)
- HB 1306 Town of Oakland, Garrett County -- Participation by Employees in Employees' Pension System**
Making it mandatory, and not optional, for employees of the Town of Oakland to participate in the Employees' Pension System of the State of Maryland as of the effective date of participation in the Employees' Pension System by the Town of Oakland; and providing for employees of the Town of Oakland to receive one--third of the service credit for specified prior service, except under specified circumstances.
EFFECTIVE JUNE 1, 2000
Delegate Edwards
- HB 1307 Optional Defined Contribution System -- Participation by Northeast Maryland Waste Disposal Authority**
Authorizing participation in the Optional Defined Contribution System by employees of the Northeast Maryland Waste Disposal Authority; and specifying how matching contributions are to be made.
EFFECTIVE JULY 1, 2000
Chairman HRU (Dept)
- HB 1404 Teachers' Retirement System -- Employment of Retirees**
Exempting from a specified offset of a retirement allowance specified retirees of the Teachers' Retirement System who retired from a board of education or local school system and are reemployed in a part--time position with the University System of Maryland.
EFFECTIVE JULY 1, 2000
Delegate Bohanan, et al
- SJ 1 Rules of Legislative Ethics**
Repealing obsolete Rules of Legislative Ethics; and adopting a standard for the waiver of confidentiality in matters before the Joint Committee on Legislative Ethics.
Senator Collins (Co--Chair Joint Committee Legislative Ethics)
- SJ 12 Harriet Tubman Day**
Recognizing the contributions of Harriet Tubman; and designating March 10 as "Harriet Tubman Day" in Maryland.
Senator Mitchell
- HJ 2 Acknowledgment of the United States Navy Submarine Force on Its 100th Anniversary**

Acknowledging the achievements of the United States Navy Submarine Force on its 100th anniversary.
Delegate Goldwater, et al

HJ 3 **POW/MIA Recognition Day**

Recognizing the sacrifices of the United States armed forces personnel who are prisoners of war or listed as missing in action and that their families are deserving of national recognition and support for continued priority efforts to determine the fate of those missing Americans; and declaring the third Friday in September of each year to be "POW/MIA Recognition Day".

Delegate K Kelly, et al

HJ 7 **Rules of Legislative Ethics**

Repealing obsolete Rules of Legislative Ethics; and adopting a standard for the waiver of confidentiality in matters before the Joint Committee on Legislative Ethics.

Delegate Montague (Co--Chairman Joint Committee on Legislative Ethics)

Part D
Local Government

- SB 82 **Cecil County -- Economic Development Commission**
Altering provisions of law concerning the Cecil County Economic Development Commission; altering the composition and qualifications of the members of the Commission; altering the term of office of members of the Commission; altering the meeting schedule and the number of members needed to call a meeting of the Commission; requiring the Commission to file an annual report by a specified date; etc.
Senators Baker and Hooper
- SB 84 **Kent County -- Sheriff's Salary and Benefits**
Increasing the salary of the Sheriff of Kent County from \$40,000 to \$45,000 for calendar year 2003; increasing the salary of the Sheriff of Kent County by \$1,000 per year for each of the calendar years 2004, 2005, and 2006; repealing the authority of the Board of County Commissioners of Kent County to establish a specified pension plan for the Kent County Sheriff's department under specified circumstances; etc.
EFFECTIVE JUNE 1, 2000
Senator Baker
- SB 91 **Cecil County -- Deed Transfer Fee**
Increasing from \$3 to \$10 the transfer fee paid to the Board of County Commissioners of Cecil County before recording specified instruments involving the transfer of specified interests in real property.
EFFECTIVE JULY 1, 2000
Senator Baker
- SB 92 **Cecil County -- Public Facilities Bonds**
Authorizing and empowering the County Commissioners of Cecil County to borrow not more than \$8,000,000 in order to finance the cost of the construction and improvement of specified public facilities in Cecil County and to effect that borrowing by the issuance and sale at public or private sale of its general obligation bonds in like amount; empowering the County to fix and determine the details incident to the issuance and sale of the bonds; etc.
EFFECTIVE JUNE 1, 2000
Senators Baker and Hooper
- SB 238 **Baltimore City Charter Amendment -- General Powers -- Tax Increment Financing**
Altering the conditions under which Baltimore City may borrow money by issuing and selling bonds to finance and refinance the development of tax increment financing development districts; authorizing the Mayor and City Council to conditionally pledge specified revenues, subject to annual appropriation, to the repayment of bonds issued for a district; providing that an ordinance authorizing the issuance of bonds for a district must be submitted to the legal voters of Baltimore City for approval; etc.
Senator Hoffman, et al
- SB 343 **Anne Arundel County -- Sheriff's Salary -- Equal to a Captain of the Police Department**
Altering the salary of the Sheriff of Anne Arundel County to equal the salary of a captain in the Anne Arundel County Police Department at the highest rate in the pay scale.
EFFECTIVE OCTOBER 1, 2002
Chairman Anne Arundel County Senators

- SB 400 Prince George's County -- Eminent Domain -- Immediate Taking of Private Property for Redevelopment**
Proposing an amendment to the Constitution of Maryland to authorize the Prince George's County Council to provide for the immediate taking of specified property situated in the County when there is an immediate need for the property for redevelopment; submitting this amendment to the qualified voters of the State of Maryland for their adoption or rejection; etc.
CONSTITUTIONAL AMENDMENT
Senator Currie, et al
- SB 466 Caroline County -- Sheriff's Salary -- Increase**
Altering the salary of the Sheriff of Caroline County; providing for the application of the Act; and providing for a delayed effective date.
EFFECTIVE OCTOBER 1, 2002
Senators Colburn and Baker
- SB 471 Dorchester County -- Public School Capital Improvement Bonds**
Authorizing and empowering the County Commissioners of Dorchester County, from time to time, to borrow not more than \$2,500,000 in order to finance, with specified restrictions, specified public school capital improvements in Dorchester County and to effect such borrowing by the issuance and sale at public or private sale of its general obligation bonds in like par amount; etc.
EFFECTIVE JUNE 1, 2000
Senator Colburn
- SB 472 Dorchester County -- Economic Development Bonds**
Authorizing and empowering the County Commissioners of Dorchester County to borrow not more than \$3,000,000 in order to finance the cost of improvement, rehabilitation, renovation, repair, and equipping of public school facilities in Dorchester County, the cost of improvement to Woods Road, other economic development projects, and any other costs incurred by the County in connection therewith; etc.
EFFECTIVE JUNE 1, 2000
Senator Colburn
- SB 503 Comptroller -- Local Government Audit Requirements**
Altering the authority of the Legislative Auditor to authorize a less frequent audit for a municipal corporation or a special taxing district with annual revenues of less than \$50,000 for the prior 4 fiscal years to have an audit conducted once every 4 years, rather than annually or biennially to cover 2 years.
Senator Colburn
- SB 509 Baltimore County -- Neighborhood Renewal Authority**
Authorizing Baltimore County to undertake and carry out projects for residential, commercial, and industrial development and redevelopment; authorizing Baltimore County to exercise the power of eminent domain; limiting the power of Baltimore County to undertake specified renewal projects to specified geographic areas within the County; limiting the County's exercise of eminent domain to specified properties within the County; requiring the County to provide specified compensation to displaced persons; etc.
EFFECTIVE JULY 1, 2000
Senator Collins (Baltimore County Administration)
- SB 523 Land Use**
Authorizing a local legislative body to grant an adaptive reuse that allows a change of use restrictions in a zoning classification for a particular improved property in a designated neighborhood under specified conditions; authorizing a local legislative body to authorize a planning director or other designee to grant specified administrative adjustments; requiring the local legislative body to consult with its planning

commission and board of appeals in developing criteria and procedures for adjustments; etc.

CONTINGENT

Senator Frosh (Art 66B Study Commission)

SB 536 Baltimore City -- Parking Authority

Expanding the definition of "county" within the Parking Authorities Act to include Baltimore City; etc.

Senator McFadden (Baltimore City Administration)

SB 616 Baltimore City -- Civilian Review Board -- Law Enforcement Units

Expanding the authority of the Baltimore City Civilian Review Board to include specified law enforcement units in Baltimore City; defining specified terms; removing a termination provision in a specified chapter in the Acts of the General Assembly.

Senator Conway, et al

SB 624 Growth Management -- Land Use Definitions and Controls

Revising, restating, and recodifying the growth management and land use laws of the State; renaming Article 66B -- Zoning and Planning of the Annotated Code of Maryland to be Article 66B -- Land Use; and making stylistic changes in the growth management and land use laws of the State.

Senator Frosh (Article 66B Study Commission)

SB 738 Local Government -- Debt Authorization

Authorizing and empowering the County Commissioners of Carroll County, from time to time, to borrow not more than \$33,740,000 in order to finance the acquisition, construction, improvement, or development of specified public facilities in Carroll County; authorizing and empowering the County Commissioners of Frederick County, from time to time, to borrow not more than \$3,000,000 in order to finance the cost of construction of specified buildings and facilities for the use and benefit of the Tourism Council of Frederick County, Inc.; etc.

EFFECTIVE JUNE 1, 2000

Senators Haines and Ferguson (Car County Senators)

SB 825 Calvert County -- Parks and Recreational Facilities -- Impact Fees

Prohibiting the County Commissioners of Calvert County from modifying development impact fee schedules imposed on development within a municipality for recreational sites or facilities without consent of the municipality; restricting specified property transfers in lieu of impact fees without consent of the municipality; restricting use of specified impact fee revenues without municipal approval; etc.

EFFECTIVE JUNE 1, 2000

Senator Miller

SB 850 Baltimore City -- Community Benefits Districts -- Review by Mayor and City Council

Authorizing the Mayor and City Council of Baltimore to establish specified community benefits district management authorities to include the Midtown Community Benefits District; authorizing the Mayor and City Council, rather than the General Assembly, to review and determine the desirability of continuing specified community benefits districts established under the Act; etc.

EFFECTIVE JUNE 1, 2000

Senator Hughes, et al

SB 893 Charles County -- Subdivision -- Reservation of Land

Authorizing the Charles County Planning Commission to include in its subdivision regulations specified provisions relating to the reservation of land for traffic, recreation, or other public purposes; requiring that the reservation of land continue for no more than 3 years; requiring that the property that is reserved for public use be exempt from property tax; requiring the Charles County Planning Commission to provide

specified notifications to the Supervisor of Assessments for Charles County; etc.

Senator Middleton

HB 147 Kent County -- Sheriff's Salary

Increasing the salary of the Sheriff of Kent County from \$40,000 to \$45,000 for calendar year 2003; increasing the salary of the Sheriff of Kent County by \$1,000 per year for each of the calendar years 2004, 2005, and 2006; etc.

Delegate Walkup, et al

HB 302 Anne Arundel County -- Sheriff's Salary -- Equal to a Captain of the Police Department

Altering the salary of the Sheriff of Anne Arundel County to equal the salary of a captain in the Anne Arundel County Police Department at the highest rate in the pay scale; etc.

EFFECTIVE OCTOBER 1, 2002

Delegate Clagett

HB 323 Baltimore City -- Community Benefits Districts -- Review by Mayor and City Council

Authorizing the Mayor and City Council of Baltimore to establish specified community benefits district management authorities to include the Midtown Community Benefits District; authorizing the Mayor and City Council, rather than the General Assembly, to review and determine the desirability of continuing specified community benefits districts established under the Act; etc.

EFFECTIVE JUNE 1, 2000

Delegate Marriott, et al

HB 335 Baltimore City Charter Amendment -- General Powers -- Tax Increment Financing

Altering the conditions under which Baltimore City may borrow money by issuing and selling bonds to finance and refinance the development of tax increment financing development districts; authorizing the Mayor and City Council to conditionally pledge specified revenues, subject to annual appropriation by the Mayor and City Council, to the repayment of bonds issued for a district; providing that an ordinance authorizing the issuance of bonds for a district must be submitted to the legal voters of Baltimore City for approval; etc.

Delegate Marriott (Baltimore City Administration), et al

HB 341 Cecil County -- Economic Development Commission

Altering provisions of law concerning the Cecil County Economic Development Commission; altering the composition and qualifications of the members of the Commission; altering the term of office of members of the Commission; altering the meeting schedule and the number of members needed to call a meeting of the Commission; requiring the Commission to file an annual report by a specified date; etc.

Cecil County Delegation

HB 343 Cecil County -- Public Facilities Bonds

Authorizing and empowering the County Commissioners of Cecil County to borrow not more than \$8,000,000 in order to finance the cost of the construction and improvement of specified public facilities in Cecil County and to effect that borrowing by the issuance and sale at public or private sale of its general obligation bonds in like amount; empowering the County to fix and determine the form, tenor, interest rate or rates, terms, conditions, maturities, and all other details incident to the issuance and sale of the bonds; etc.

EFFECTIVE JUNE 1, 2000

Cecil County Delegation

HB 428 Dorchester County -- Economic Development Bonds

Authorizing and empowering the County Commissioners of Dorchester County to borrow not more than \$3,000,000 in order to finance the cost of improvement, rehabilitation, renovation, repair, and equipping of public school facilities in Dorchester County, the cost of improvement to Woods Road and other economic development projects, and any other costs incurred by the County in connection with them; etc.

EFFECTIVE JUNE 1, 2000

Dorchester County Delegation

HB 436 Carroll County -- Recodification of the Code of Public Local Laws

Revising, restating, and recodifying specified public local laws of Carroll County, including laws relating to the county's boundaries, the circuit court, the county commissioners, crimes and punishments, election districts, licenses, motor vehicles, the Orphans' Court, open space maintenance, revenue and taxes, roads, the sheriff's office, solid waste projects, the Springfield State Hospital, and water, sewerage, and drainage systems; etc.

Carroll County Delegation

HB 446 Frederick County -- Motor Carrier Permits -- Exception for Transportation System

Exempting the Public Transportation System for Frederick County from the requirement of obtaining specified motor carrier permits.

Frederick County Delegation

HB 447 Caroline County -- Sheriff's Salary -- Increase

Altering the salary of the Sheriff of Caroline County; providing for the application of the Act; and providing for a delayed effective date.

EFFECTIVE OCTOBER 1, 2002

Caroline County Delegation

HB 454 St. Mary's County -- Citizens Nursing Home Board -- Selection of Members

Altering the process by which the successors to the initial appointees to the St. Mary's County Citizens Nursing Home Board are selected to require that, rather than being elected by a majority vote of the Board, a successor be appointed by the County Commissioners of St. Mary's County for a term of 3 years if a term expires, or the rest of a term if a term is vacated.

St. Mary's County Delegation

HB 455 St. Mary's County -- Public Facilities Bonds

Authorizing and empowering the County Commissioners of St. Mary's County to borrow not more than \$10,000,000 in order to finance the construction, improvement, or development of public facilities in St. Mary's County by the issuance and sale at public or private sale of general obligation bonds of St. Mary's County; etc.

EFFECTIVE JUNE 1, 2000

St. Mary's County Delegation

HB 561 Charles County -- County Treasurer -- Investments and Deposits

Authorizing the County Treasurer of Charles County to invest in obligations that a federal agency or instrumentality has issued in accordance with an act of Congress; and altering the types of collateral that banks or financial institutions are required to set aside in escrow as collateral in order for the County Treasurer of Charles County to be authorized to make specified investments or deposits.

Charles County Delegation

HB 593 Washington County -- County Commissioners -- Reimbursement of Expenses

Authorizing reimbursement up to a specified amount of reasonable expenses incurred by the Washington County Commissioners in carrying out the functions of the office.

Washington County Delegation

HB 643 Somerset County -- Fairmount Volunteer Fire Company

Requiring the County Commissioners of Somerset County to appropriate to the Fairmount Volunteer Fire Company \$19,400 for fiscal year 2001; and mandating that the required appropriation to the Fairmount Volunteer Fire Company for fiscal year 2001 shall remain in effect for subsequent fiscal years unless altered by future enactment.

EFFECTIVE JUNE 1, 2000

Somerset County Delegation

HB 689 Washington Suburban Sanitary Commission -- Design and Construction of Facilities -- Projects PG/MC 3--00

Altering the authority of the Washington Suburban Sanitary Commission to allow a developer to design and construct facilities necessary for a specified project if the facilities are considered a specified project; and altering the definition of "major project".

Prince George's County Delegation and Montgomery County Delegation

HB 690 Washington Suburban Sanitary Commission -- Public Utility Construction -- Violations PG/MC 2--00

Subjecting a person to a civil monetary fine for a violation of rules and regulations governing public utility construction; authorizing the Washington Suburban Sanitary Commission to adopt rules and regulations on public utility construction; etc.

Prince George's County Delegation and Montgomery County Delegation

HB 721 Baltimore City -- Parking Authority

Expanding the definition of "county" within the Parking Authorities Act to include Baltimore City; and making stylistic changes.

Delegate Marriott (Baltimore City Administration)

HB 800 Montgomery County -- Restrictions on Political Activities -- Quasi--Judicial Officers, Employees, Board Members MC 7--00

Providing that the State Election Code and specified provisions of law relating to the political activities of employees of local entities do not preempt specified restrictions on the political activities of Montgomery County officers and employees serving in a quasi--judicial capacity or members of a Montgomery County board or commission serving in a quasi--judicial capacity under specified circumstances.

EFFECTIVE JUNE 1, 2000

Montgomery County Delegation

HB 834 Calvert County -- Recording of Plats -- New Lot

Altering provisions of law requiring the County Treasurer to certify on a specified plat that all taxes, assessments, and charges against the existing lots have been paid before the Clerk of the Court of Calvert County may accept and record the plat to include a plat that creates a new lot; and generally relating to the recording of plats by the Clerk of the Court of Calvert County.

Calvert County Delegation

HB 889 Growth Management -- Land Use Definitions and Controls

Revising, restating, and recodifying the growth management and land use laws of the State; renaming Article 66B -- Zoning and Planning of the Annotated Code of Maryland to be Article 66B -- Land Use; and making stylistic changes in the growth management and land use laws of the State.

Delegate Guns (Art 66B Study Commission)

HB 898 Frederick County -- Crimes -- Fire, Rescue, and Ambulance Services

Repealing in Frederick County the criminal penalties for providing formally organized fire, rescue, or ambulance service unless approved and recognized by specified organizations.

Frederick County Delegation

HB 904 Land Use

Authorizing a local legislative body to grant an adaptive reuse that allows a change of use restrictions in a zoning classification for a particular improved property in a designated neighborhood under specified conditions; authorizing a local legislative body to authorize a planning director or other designee to grant specified administrative adjustments; requiring the local body to consult with its planning commission and board of appeals in developing criteria and procedures for administrative adjustments; etc.

CONTINGENT

Delegate Guns (Article 66B Study Commission)

HB 951 Calvert County -- Alarm System Regulation

Authorizing the Board of County Commissioners of Calvert County to adopt regulations to register alarm system contractors and alarm users, provide penalties and issue civil citations for specified violations, provide exemptions from the issuance of specified civil citations and penalties; authorizing the designated county enforcement agency to keep records and inform specified persons of a pattern of false alarms; providing that specified provisions do not apply in Calvert County under specified circumstances; etc.

Calvert County Delegation

HB 1007 Prince George's County -- Correctional Officers -- Workers' Compensation PG 318--00

Extending the presumption of compensability under the workers' compensation law to include, under specified conditions, Prince George's County correctional officers who suffer from heart disease or hypertension resulting in partial or total disability or death; requiring current correctional officers to submit specified medical information to the Director of the Prince George's County Department of Correctional Services; and allowing benefits under the Act to be added to retirement benefits subject to a specified limitation.

Prince George's County Delegation

HB 1092 Calvert County -- Competitive Bidding Process -- Delegation of Authority

Altering provisions of law concerning the competitive bidding process for the purchase of specified contracts in Calvert County to authorize a specified official to award the contract to a specified bidder under specified circumstances; and authorizing a specified official to invite proposals for specified contracts in a specified manner.

Calvert County Delegation

HB 1094 Prince George's County -- Public School Facilities PG 416--00

Modifying provisions governing the school facilities surcharge imposed in Prince George's County to require, rather than authorize, the surcharge; setting the amount of the surcharge; eliminating authority to provide a credit against the surcharge for moderately priced dwelling units; requiring the imposition of specified adequate public facilities standards and requirements in the County; etc.

EFFECTIVE JULY 1, 2000

Prince George's County Delegation

HB 1105 Queen Anne's County -- Board of Education -- Compensation

Increasing the compensation of the members and the Chairman of the Queen Anne's County Board of Education from \$1,000 and \$1,200, respectively, to \$3,000 and \$3,200.

EFFECTIVE JULY 1, 2000

Delegate W Baker

HB 1114 Anne Arundel County -- State's Attorney -- Salary

Altering provisions of law regarding the salary of the State's Attorney for Anne Arundel County to increase the salary of the State's Attorney to equal the salary of a circuit judge of specified judicial circuits; requiring the salary of the State's Attorney for Anne Arundel County to be increased annually by a specified amount in subsequent calendar years; providing for the application of the Act; etc.

EFFECTIVE JANUARY 1, 2003

Delegate Cadden

HB 1143 Washington County -- Museum of Fine Arts -- Board of Trustees

Creating specified positions on the Washington County Museum of Fine Arts Board of Trustees; repealing a limitation on the number of members on the Board; etc.

Washington County Delegation

HB 1181 Comptroller -- Local Government Audit Requirements

Altering the authority of the Legislative Auditor to authorize a less frequent audit of once every 4 years, rather than annually or biennially to cover 2 years, for a municipal corporation or a special taxing district with annual revenues of less than \$50,000 for the prior 4 fiscal years.

Delegate Eckardt, et al

HB 1213 Calvert County -- Agricultural Land Preservation Program -- General Obligation Installment Purchase Agreements

Authorizing the County Commissioners of Calvert County to borrow not more than \$10,300,000 to acquire under specified criteria transfer development rights in tracts or parcels of agricultural and forestry land in Calvert County, as part of the County's Agricultural Land Preservation Program, by the issuance and sale of its general obligation bonds; etc.

EFFECTIVE JUNE 1, 2000

Delegate Owings (Calvert County Delegation)

HB 1239 Prince George's County -- Litter Control PG 311--00

Authorizing the governing body of Prince George's County to adopt an ordinance to prohibit littering under the authority of the State Litter Control Law; and imposing penalties for violations of the ordinance.

Prince George's County Delegation

HB 1251 Calvert County -- Special Taxing Districts -- Developing and Financing Infrastructure Improvements

Authorizing Calvert County to exercise specified powers concerning the creation of special taxing districts, the levying of ad valorem or special taxes, and the issuing of bonds and other obligations for developing and financing specified infrastructure improvements.

Calvert County Delegation

HB 1262 Calvert County -- Public Facilities Bonds

Authorizing and empowering the County Commissioners of Calvert County, from time to time, to borrow not more than \$9,500,000 in order to finance the construction, improvement, or development of specified public facilities in Calvert County and to effect such borrowing by the issuance and sale at private or public sale of its general obligation bonds; etc.

EFFECTIVE JUNE 1, 2000

Calvert County Delegation

HB 1333 Charles County -- Public Nuisance -- Improved Residential Property

Altering provisions of law concerning public nuisances in Charles County to include exterior building disrepair on an improved residential property; altering provisions of law ordering a property owner to fix a specified public nuisance to include an order to correct the exterior building disrepair; defining a specified term; and providing for the application of the Act.

Charles County Delegation

HB 1355 Dorchester County -- Public School Capital Improvement Bonds

Authorizing and empowering the County Commissioners of Dorchester County, from time to time, to borrow not more than \$2,500,000 in order to finance, with specified restrictions, specified public school capital improvements in Dorchester County and to effect such borrowing by the issuance and sale at public or private sale of its general obligation bonds in like par amount; etc.

EFFECTIVE JUNE 1, 2000

Dorchester County Delegation

HB 1390 Queen Anne's County -- Board of County Commissioners -- Election and Number of Commissioners - Straw Poll

Requiring that questions be placed on the ballot in Queen Anne's County at the November general election of 2000 to determine the sense of the voters of the County on whether to elect commissioners to the Board of County Commissioners for Queen Anne's County from any area of the County or from designated districts in the County and whether to alter the number of commissioners of the Board of County Commissioners for Queen Anne's County from three commissioners to five commissioners; and providing for the carrying out of the straw poll.

EFFECTIVE JULY 1, 2000

Delegate W Baker

HB 1417 Washington County -- Washington County Water and Sewer Debt Reduction Fund

Establishing the Washington County Water and Sewer Debt Reduction Fund; requiring the County Commissioners for Washington County to appropriate \$500,000 to the Fund annually; providing that the Fund is in addition to funds appropriated for subsidies to Washington County water, sewer, and pretreatment facilities; requiring that the amount of any reduction in a specified subsidy be appropriated to the Fund under specified circumstances; etc.

CONTINGENT

Washington County Delegation

HB 1437 Somerset County -- Consolidated Public High School -- Straw Poll

Requiring that a question be placed on the ballot in Somerset County at the November general election of 2000 to determine the sense of the voters of the County on whether to consolidate the high schools in Somerset County.

EFFECTIVE JULY 1, 2000

Delegate McClenahan, et al

HJ 10 J. Louis Boubnitz District Court Building

Naming the new Washington County District Court building in honor of J. Louis Boubnitz.

Washington County Delegation

HJ 15 Task Force to Study Establishing a Matthew Henson Memorial

Establishing a Task Force to Study Establishing a Matthew Henson Memorial; providing for the membership of the Task Force; providing for the duties of the Task Force; and requiring the Task Force to report to the Governor and the General Assembly by December 31, 2000.

Charles County Delegation, et al

Part E
Crimes, Corrections, and Public Safety

- SB 39 **Department of Juvenile Justice -- Facilities -- Places of Confinement**
Establishing that specified facilities for delinquent or detained youth are established and operated by the Department of Juvenile Justice and are considered places of confinement for diagnosis, care, training, education, and rehabilitation of children who need these services; etc.
Chairman JPR (Dept)
- SB 42 **Transportation -- Law Enforcement Officers' Bill of Rights**
Clarifying that the Maryland Transportation Authority Police are covered by the Law Enforcement Officers' Bill of Rights.
Chairman JPR (Dept)
- SB 44 **State Correctional Facilities -- Abandoned Property -- Contraband**
Creating a procedure that a State correctional facility must use to dispose of abandoned or unclaimed inmate property; stating when the property may be delivered to an inmate or a person outside of the State correctional facility; authorizing correction officials to adopt regulations; etc.
Chairman JPR (Dept)
- SB 154 **Volunteer Company Assistance Fund**
Repealing provisions concerning the Emergency Assistance Trust Fund; establishing the Volunteer Company Assistance Fund as a continuing, nonlapsing fund for volunteer fire fighting and emergency services; establishing the Emergency Assistance Trust Account and the Low Interest Revolving Loan Account in the Fund; etc.
EFFECTIVE JULY 1, 2000
Chairman B&T (Dept)
- SB 165 **State Fire Marshal -- Fireworks -- Manufacture, Storage, and Packaging**
Clarifying the scope of licenses to manufacture fireworks; clarifying that the manufacture of specified fireworks is unlawful; clarifying the locations where specified fireworks may be stored under specified circumstances; authorizing the packaging and repackaging of specified fireworks in a specified location under specified circumstances; and altering definitions.
EFFECTIVE JUNE 1, 2000
Senator Baker
- SB 200 **Crimes -- Computer Piracy**
Revising the laws about computer--related crimes; creating a felony for specified computer--related crimes; setting penalties; etc.
The President (Administration), et al
- SB 211 **Responsible Gun Safety Act of 2000**
Prohibiting a firearms dealer from selling, renting, or transferring in the State any handgun manufactured after December 31, 2002, unless the handgun has an integrated mechanical safety device; altering the composition of the Handgun Roster Board; requiring the Maryland Police Training Commission to adopt regulations for a certified firearms safety training course; establishing a Cease Fire Council; etc.
The President (Administration), et al

- SB 212 Police and Criminal Records -- Expungement of Records -- Nolle Prosequi Before Service**
Authorizing the District Court to order expungement of specified records relating to specified criminal charges if the State enters a nolle prosequi as to all charges in a criminal case within the jurisdiction of the District Court with which a defendant has not been served, unless the State objects and shows cause why a record should not be expunged; prohibiting the District Court from assessing costs against a defendant for specified proceedings; etc.
Chairman JPR (Maryland Judicial Conference)
- SB 216 Kent County -- Custody and Transportation of Inmates**
Authorizing the County Commissioners of Kent County to provide, by resolution or law, for the custody, safekeeping, and transportation of prisoners by corrections officers or law enforcement officers other than the Sheriff.
Senator Baker
- SB 247 Emergency Medical Services -- Public Safety Personnel -- Immunizations**
Authorizing emergency medical technician--paramedics to administer influenza and hepatitis B immunizations and tuberculosis skin testing in nonemergency environments to public safety personnel within their jurisdiction under specified circumstances; and defining "public safety personnel".
Senator Middleton
- SB 322 Crimes -- State Health Plan Fraud**
Revising and restating the laws relating to State health plan fraud and related offenses; prohibiting a person from knowingly and willfully defrauding or attempting to defraud a State health plan; prohibiting a person from knowingly and willfully obtaining or attempting to obtain, by means of a false representation, money, property, or anything of value; prohibiting a person from knowingly and willfully defrauding or attempting to defraud a State health plan of the right to honest services; etc.
Senators Stone and Hughes (Committee to Revise Art 27)
- SB 323 Criminal Procedure -- Accessories Before the Fact -- Abrogation**
Abrogating the distinction between an accessory before the fact and a principal in a crime, except for death penalty proceedings; allowing proceedings against an accessory before the fact in the same manner as a principal; allowing proceedings against an accessory before the fact regardless of proceedings or dispositions concerning a principal in the crime; allowing proceedings against an accessory before the fact in any county where the act of accessoryship occurred or where a principal may be tried; etc.
Senators Stone and Hughes (Committee to Revise Art 27)
- SB 345 Criminal Procedure -- Enhanced Sentences -- Controlled Dangerous Substances**
Allowing specified enhanced sentences for second or subsequent controlled dangerous substance offenses to be imposed in conjunction with other sentences for controlled dangerous substance offenses.
Senator Jimeno
- SB 357 State Aid for Police Protection -- Qualifying Municipality**
Altering the definition of a qualifying municipality for State allocation of money to municipalities for police protection; etc.
EFFECTIVE JULY 1, 2000
Senator Exum, et al
- SB 365 Police Training Commission -- Police Officer -- Definition**
Adding the Department of Labor, Licensing, and Regulation Police Force to the definition of police officer

under the law relating to the Police Training Commission.

Senator Green

SB 415 Sexual Offenses -- Juvenile Justice Facilities and Licensed Institutions

Making it a misdemeanor for an employee of the Department of Juvenile Justice or of a licensee of the Department to engage in specified sexual activity with an individual confined in specified institutions licensed or operated by the Department.

Senator Hoffman, et al

SB 420 Victim's Rights -- Transfer to Juvenile Court -- Definitions

Altering the definition of victim relating to transfer of criminal cases to the juvenile court; altering the definition of victim to include family members and guardians of deceased or disabled victims for purposes of rights and procedures relating to victims; etc.

Senator Stone (Task Force to Examine Maryland's Crime Victims' Rights Laws)

SB 591 Crimes -- Robbery Revision and Value of Property or Services in Theft and Related Offenses

Revising and restating the laws relating to robbery; increasing to a specified amount the value of property or services subject to penalties and offenses relating to destruction of property, obtaining property or services by bad check, credit card offenses, theft, robbery, and extortion; establishing and clarifying the application of specified robbery offenses to the commission of or as an element of specified offenses, definitions, sentencing, court jurisdiction, and communications interception; etc.

Senator Stone (Commission Revenue Art 27)

SB 592 Juvenile Law -- Juvenile Court Jurisdiction -- Peace Orders

Transferring jurisdiction over peace order proceedings in which the respondent is a child from the District Court to the juvenile court; etc.

Senator Stone

SB 614 Commission on Juvenile Justice Jurisdiction -- Extension of Sunset

Extending from September 30, 2000, to September 30, 2001, the termination date for the Commission on Juvenile Justice Jurisdiction; and requiring the Commission to submit, on or before September 30, 2001, a supplemental report relating to the Commission's work.

EFFECTIVE JULY 1, 2000

Senators Jimeno and Hughes

SB 651 Criminal Procedure -- Statute of Limitations -- Abuse or Neglect of Vulnerable Adult

Increasing, from 1 year to 2 years, the statute of limitations for prosecution of offenses relating to abuse or neglect of vulnerable adults.

Senator Collins

SB 826 Criminal Procedure -- Warrantless Arrest -- State Forest and Park Service Police Force

Adding a member of the State Forest and Park Service Police Force to the list of police officers authorized to arrest a person without a warrant under specified circumstances for specified offenses.

Senator Hafer

SB 834 Crimes -- Offenders -- Registration

Altering the required term of registration for specified offenders.

Senator Green

HB 101 Domestic Violence Unit Pilot Program Fund

Establishing a Domestic Violence Unit Pilot Program Fund; specifying that the Fund shall provide grant money to the sheriff's office or police department in one or more counties for the creation of a separate domestic violence unit dedicated to the service and data entry of ex parte orders and protective orders; etc.

EMERGENCY BILL

Delegate Boschert

HB 139 State Fire Marshal -- Powers and Duties -- Inspectors

Authorizing the State Fire Marshal to designate civilian employees to conduct inspections; and requiring that the minimum qualification for a civilian employee shall be the completion of the National Fire Protection Association Standard 1031.

EFFECTIVE JULY 1, 2000

Chairman ENV (Dept)

HB 154 Assisted Suicide -- Definition of "Licensed Health Care Professional"

Altering the definition of licensed health care professional to include emergency medical service providers in order to make specified provisions that exclude a licensed health care professional from criminal liability for performing specified activities applicable to emergency medical services providers; making the Act an emergency measure; etc.

EMERGENCY BILL

Chairman JUD (Dept)

HB 155 Vehicle Theft Prevention Council and Vehicle Theft Prevention Fund -- Extension of Sunset

Extending the termination date of the Act that established the Vehicle Theft Prevention Council and the Vehicle Theft Prevention Fund; etc.

EFFECTIVE JULY 1, 2000

Chairman JUD (Dept)

HB 167 Criminal Procedure -- Accessories Before the Fact -- Abrogation

Abrogating the distinction between an accessory before the fact and a principal in a crime, except for death penalty proceedings; allowing proceedings against an accessory before the fact in the same manner as a principal; allowing proceedings against an accessory before the fact regardless of proceedings or dispositions concerning a principal in the crime; allowing proceedings against an accessory before the fact in any county where the act of accessoryship occurred or where a principal may be tried; etc.

Delegate Doory (Committee to Revise Article 27), et al

HB 180 Crimes -- Drug--Induced Conduct

Prohibiting a person from administering a controlled dangerous substance or other drug to another without that person's knowledge and committing a specified crime of violence or a specified sexual offense against that person; establishing penalties; and establishing that a sentence imposed under the Act may be imposed separate from and consecutive to or concurrent with a sentence for any offense based on the act or acts establishing the violation of the Act.

Delegates Menes and Grosfeld

HB 181 Crimes -- Controlled Dangerous Substances -- Schedules

Altering the list of Schedule III controlled dangerous substances to include Dronabinol (synthetic) in sesame oil and encapsulated in a soft gelatin capsule, and Ketamine, its salts, isomers, and salts of isomers.

EFFECTIVE JULY 1, 2000

Chairman JUD (Dept)

HB 223 Howard County -- Confinement as a Condition of Probation Ho. Co. 4--00

Authorizing in Howard County the court to impose a sentence of confinement as a condition of probation.

Howard County Deleg

HB 278 Crimes -- Computer Piracy

Revising the laws about computer--related crimes; creating a felony for specified computer--related crimes; setting penalties; etc.

The Speaker (Administration), et al

HB 324 Crimes -- Harboring a Fugitive

Modifying the definition of "fugitive", as it pertains to a crime relating to harboring a fugitive, to apply to individuals for whose arrest a felony warrant has been issued, whether or not the warrant is issued under State law.

Delegate Petzold, et al

HB 354 Crimes -- State Health Plan Fraud

Revising and restating the laws relating to State health plan fraud and related offenses; prohibiting a person from knowingly and willfully defrauding or attempting to defraud a State health plan; prohibiting a person from knowingly and willfully obtaining or attempting to obtain, by means of a false representation, money, property, or anything of value under specified circumstances; etc.

Delegates Doory and Getty (Committee to Revise Art 27)

HB 358 Human Remains -- Removal from Burial Sites -- Authorization and Procedures

Allowing the Office of the State's Attorney to authorize the removal of human remains by persons in interest after requirements are met; requiring notice to be published one time in a paper of general circulation in the area where the remains are located; requiring a person seeking to remove human remains to prove by archaeological or other comparable means the location and boundaries of the burial site; etc.

Delegates Petzold and Bozman

HB 359 Crimes -- Impersonating a Federal Police Officer

Expanding a prohibition against impersonating a police officer to include impersonating a federal police officer; setting forth a definition; etc.

Delegate Dewberry

HB 483 Police and Criminal Records -- Expungement of Records -- Nolle Prosequi Before Service

Authorizing the District Court to order expungement of specified records relating to specified criminal charges if the State enters a nolle prosequi as to all charges in a criminal case within the jurisdiction of the District Court with which a defendant has not been served, unless the State objects and shows cause why a record should not be expunged; and prohibiting the District Court from assessing costs against a defendant for specified proceedings.

Chairman JUD (Maryland Judicial Conference)

HB 586 Victim's Rights -- Transfer to Juvenile Court -- Definitions

Altering the definition of victim relating to transfer of criminal cases to the juvenile court; altering the definition of victim to include family members and guardians of deceased or disabled victims for purposes of rights and procedures relating to victims; etc.

Delegate Vallario (Task Force to Examine Maryland's Crime Victims' Rights Laws), et al

HB 638 Crimes -- Possession of Vehicles Without Vehicle Identification Numbers -- Exceptions

Authorizing an insurance company or its agent to buy, receive, and possess a motor vehicle knowing that the vehicle identification number has been removed in specified situations; authorizing an insurance company or its agent to sell or dispose of a motor vehicle knowing that the identification number of the

vehicle has been removed in specified situations; and restricting transfers to specified licensed entities.

Delegate Doory

- HB 647 **Crimes -- Robbery Revision and Value of Property or Services in Theft and Related Offenses**
Revising and restating the laws relating to robbery; increasing to a specified amount the value of property or services subject to penalties and offenses relating to destruction of property, obtaining property or services by bad check, credit card offenses, theft, robbery, and extortion; establishing and clarifying the application of specified robbery offenses to the commission of or as an element of specified offenses, definitions, sentencing, court jurisdiction, and interception of communications; etc.
Delegates Doory and Getty (Committee to Revise Art 27)
- HB 675 **Juvenile Law -- Juvenile Court Jurisdiction -- Peace Orders**
Transferring jurisdiction, from the District Court to the juvenile court, over peace order proceedings in which the respondent is a child; etc.
Delegate Vallario, et al
- HB 681 **Commission on Juvenile Justice Jurisdiction -- Extension of Sunset**
Extending from September 30, 2000, to September 30, 2001, the termination date for the Commission on Juvenile Justice Jurisdiction; and requiring the Commission to submit, on or before September 30, 2001, a supplemental report relating to the Commission's work.
EFFECTIVE JULY 1, 2000
Delegate Vallario, et al
- HB 915 **Criminal Procedure -- Enhanced Sentences -- Controlled Dangerous Substances**
Allowing specified enhanced sentences for second or subsequent controlled dangerous substance offenses to be imposed in conjunction with other sentences for controlled dangerous substance offenses.
Delegate Hutchins, et al
- HB 1223 **Emergency Medical Services -- Public Safety Personnel -- Immunizations**
Authorizing emergency medical technician--paramedics to administer influenza and hepatitis B immunizations and tuberculosis skin testing in nonemergency environments to public safety personnel within their jurisdiction under specified circumstances; and defining "public safety personnel".
Delegate Moe, et al
- HB 1225 **Kent County -- Custody and Transportation of Inmates**
Authorizing the County Commissioners of Kent County to provide, by resolution or law, for the custody, safekeeping, and transportation of prisoners by corrections officers or law enforcement officers other than the Sheriff.
Delegate Walkup, et al
- HB 1264 **Criminal Procedure -- Warrantless Arrest -- State Forest and Park Service Police Force**
Adding a member of the State Forest and Park Service Police Force to the list of police officers authorized to arrest a person without a warrant under specified circumstances for specified offenses.
Delegates Dembrow and K Kelly
- HB 1414 **Correctional Services -- Juvenile Justice**
Requiring the Correctional Training Commission to develop and implement a specific program design and appropriate course curriculum and training for Department of Juvenile Justice employees; requiring the Commission to establish the minimum qualifications for probationary or permanent appointment as a Department employee; altering the membership and appointment of specified members of the Commission;

etc.

EFFECTIVE JULY 1, 2000

Delegate Conway, et al

Part F
Courts and Civil Proceedings

- SB 38 **Child Support Enforcement -- Conciliation Conferences**
Authorizing the Child Support Enforcement Privatization Pilot Program and any demonstration site to conduct conciliation conferences; authorizing a circuit court to order parties, in an action to enforce or modify a duty of support, to appear and to produce documents; authorizing a representative of the Pilot Program or a demonstration site to apply to a court for a body attachment under specified circumstances; authorizing a court to issue a body attachment or compel compliance; etc.
Chairman JPR (Dept)
- SB 108 **Child Support -- Child Support Reinvestment Fund -- Modifications**
Altering the Child Support Reinvestment Fund to include all the federal performance incentive payments received by the Department of Human Resources in a fiscal year; repealing the requirement that the Fund may not receive more than \$5 million in federal performance incentive dollars in a fiscal year, and the Fund balance may not exceed \$5 million; altering uses of the Fund; providing that the moneys from the Fund may not be used to supplant the budget of a county or local support enforcement office; etc.
EFFECTIVE JULY 1, 2000
Chairman B&T (Dept)
- SB 214 **Circuit Court Real Property Records Improvement Fund**
Extending, from June 30, 2001, to June 30, 2006, the termination date of provisions of law establishing and governing the Circuit Court Real Property Records Improvement Fund.
Chairman JPR (Maryland Judicial Conference)
- SB 215 **Resident Agents -- Service**
Allowing units of the State government and political subdivisions and other local entities to file with the Department of Assessments and Taxation the names, addresses, designations, and written consents of persons on whom process and notice may be served on behalf of the entities; authorizing resident agents to change addresses and resign; specifying that there is no charge for these filings; providing for the effect of these filings; providing for the effect of service on a resident agent; etc.
EFFECTIVE JULY 1, 2001
Chairman JPR (Maryland Judicial Conference)
- SB 277 **Harford County -- Appointment of Deputy State's Attorneys**
Increasing the number of deputy State's Attorneys that the Harford County State's Attorney may appoint from one to two.
Senator Jacobs, et al
- SB 355 **Prospective Jurors -- Motor Vehicle Administration Lists**
Expanding the sources from which prospective jurors are selected to include lists of individuals who have received a driver's license or identification card from the Motor Vehicle Administration; requiring juror selection plans to include lists of individuals who have received a driver's license or identification card from the Motor Vehicle Administration; requiring that the Administration make the lists available to jury commissioners or clerks at no cost; and providing for a delayed effective date.
EFFECTIVE JANUARY 1, 2001
Senator Ruben, et al

SB 411 Land Patents -- Property Line Surveyors

Expanding the definition of "surveyor" to include a property line surveyor with respect to the application, review, and issuance of land patents; and authorizing the Commissioner of Land Patents to accept, under specified circumstances, a survey previously performed by a qualified property line surveyor in lieu of a survey performed under a warrant.

Senators Sfikas and Pinsky

SB 451 Real Property -- Abatement of Nuisance Actions -- Municipal Corporation

Authorizing a municipal corporation within whose boundaries a specified nuisance is located to bring an action for abatement of nuisance.

Senator Jacobs, et al

SB 484 Drug Dealer Liability Act

Making persons who are convicted under specified provisions of law of knowingly and willfully manufacturing, distributing, dispensing, bringing into, or transporting in the State a controlled dangerous substance liable in a civil action for damages for the death of an individual proximately caused by the individual's use of the controlled dangerous substance under specified conditions; specifying persons entitled to bring an action for damages under the Act; etc.

Senator Colburn

SB 527 Criminal History Records Check -- Parent or Guardian of Child in Out--of--Home Placement

Requiring a parent or guardian of a child committed to the local department of social services and placed in an out--of--home placement within the past year and any adult residing with the parent or guardian to obtain a criminal history records check if requested by a local department of social services; requiring the local department to reimburse an adult residing with the parent or guardian for specified costs; etc.

Senator Green

SB 532 Baltimore City -- Abandoned Property -- Statute of Limitations and Damages

Establishing that the statute of limitations for an action at law or in equity against Baltimore City by a person with an interest in abandoned property is 3 years from the date a court vests title to the property in the City; and limiting the damages awarded to a person for improper taking of abandoned property by the City to the fair market value of the property at the time of the taking.

Senator McFadden (Baltimore City Administration), et al

SB 636 Uniform Principal and Income Act

Enacting the 1997 revision of the Uniform Principal and Income Act; establishing default rules for fiduciaries administering a trust or estate to allocate receipts and disbursements to or between principal and income; etc.

Senator Baker

SB 715 Baltimore City -- Local Government Tort Claims Act -- Lexington Market, Inc.

Providing that Lexington Market, Inc., in Baltimore City, meets the definition of local government for the purposes of the Local Government Tort Claims Act; etc.

Senator McFadden (Baltimore City Administration)

SB 717 Real Property -- Abatement of Nuisance -- Controlled Dangerous Substances

Clarifying that under provisions of law that relate to abatement of nuisances, an "owner" includes an owner-occupant and a "tenant" does not include the owner of the property; requiring a plaintiff who brings a specified nuisance abatement action to post a specified notice in a conspicuous place on the property on

which the nuisance is located no later than 48 hours before the hearing; etc.
Senator McFadden (Baltimore City Administration), et al

HB 15 Circuit Courts -- Business and Technology Division

Establishing a Business and Technology Division Task Force to study the creation of a business and technology division in appropriate circuit courts; authorizing that the Chief Judge of the Court of Appeals consider, based on the study by the Task Force, the feasibility of the establishment of a business and technology court division in the State; etc.

EFFECTIVE JULY 1, 2000

Delegate Taylor, et al

HB 57 Anne Arundel County -- Marriage License Fee -- Premarriage Education

Reducing the marriage license fee in Anne Arundel County for couples who have completed a premarriage education course within 1 year before applying for a license; providing for disposition of the fee; requiring the Anne Arundel County Health Department to compile and provide to the clerk of the circuit court a list of premarriage education courses in the county and adjacent counties; requiring the clerk to make the list available to marriage license applicants; etc.

Delegate Leopold, et al

HB 85 Civil Actions -- Disclosure of Business Address

Requiring an insurer or a person that has a self--insurance plan to provide the business address, if known, of an insured defendant under specified circumstances; and providing civil and criminal immunity to a person who discloses information required under the Act.

Delegate Dembrow

HB 101 Domestic Violence Unit Pilot Program Fund

Establishing a Domestic Violence Unit Pilot Program Fund; specifying that the Fund shall provide grant money to the sheriff's office or police department in one or more counties for the creation of a separate domestic violence unit dedicated to the service and data entry of ex parte orders and protective orders; etc.

EMERGENCY BILL

Delegate Boschert

HB 178 Drug Dealer Liability Act

Making persons who are convicted under specified provisions of law of knowingly and willfully manufacturing, distributing, dispensing, bringing into, or transporting in the State a controlled dangerous substance liable in a civil action for damages for the death of an individual proximately caused by the individual's use of the controlled dangerous substance under specified conditions; specifying persons entitled to bring an action for damages under the Act; etc.

Delegates Menes and Grosfeld

HB 222 State Personnel -- Child Support Enforcement Administration -- Transfer of Personnel Ho. Co. 6--00

Transferring the Paternity and Support Division of the Office of the State's Attorney for Howard County to the Child Support Enforcement Administration of the Department of Human Resources; providing that employees of the local support enforcement office shall be transferred in accordance with provisions of law that provide for classified status, seniority, compensation, annual leave accrual, transfer of pension contributions, and other personnel matters for employees transferring to the Child Support Enforcement Administration; etc.

EFFECTIVE JULY 1, 2000

Howard County Delegation

HB 322 Estates and Trusts -- Small Estates -- Maximum Property Value

Increasing to \$30,000 the maximum value of an estate necessary to qualify for administration under the provisions of law for administration as a small estate; establishing an additional small estate maximum property value of \$50,000 for estate transfers between spouses; altering the rate structure of small estate fees imposed by the register of wills; and providing that the Act applies to decedents who die on or after the effective date of the Act.

EFFECTIVE JULY 1, 2000

Delegate Petzold, et al

HB 356 District Court -- Civil Jurisdiction -- Dishonored Checks and Other Instruments

Clarifying that the District Court of Maryland has exclusive original civil jurisdiction in an action for damages for a dishonored check or other instrument regardless of the amount in controversy.

Delegate Getty

HB 357 Courts -- Transfer of Structured Settlement Payment Rights

Establishing specified conditions under which a direct or indirect transfer of structured settlement payment rights is effective; prohibiting a structured settlement obligor or annuity issuer from making payments to a transferee of structured settlement payment rights unless the transfer is authorized in an order of a court based on specified findings; providing for jurisdiction in cases involving transfers of structured settlement payment rights; etc.

Delegates Dembrow and Montague

HB 377 Harford County -- Appointment of Deputy State's Attorneys

Increasing from one to two the number of deputy State's Attorneys that the Harford County State's Attorney may appoint.

Harford County Delegation

HB 396 Family Law -- Child Support Guidelines

Establishing that the presumption that the amount of child support which would result from the application of the child support guidelines is the correct amount of child support to be awarded may not be rebutted solely on the basis of evidence of the presence in the household of either parent of other children to whom that parent owes a duty of support and the expenses for whom that parent is directly contributing.

Delegate Grosfeld, et al

HB 439 Circuit Courts -- Civil Enforcement of Administrative Orders

Authorizing parties to seek civil enforcement of administrative orders in the circuit courts under specified circumstances; providing for specified venue, procedures, and forms of relief in an action for civil enforcement of administrative orders; etc.

Delegates Montague and Bobo

HB 456 Estates and Trusts -- Personal Representatives, Trustees, and Fiduciaries -- Donation of Conservation Easmt

Authorizing a personal representative to donate a conservation easement on real property under specified circumstances; authorizing specified trustees or fiduciaries to donate a conservation easement or consent to a donation of a conservation easement by a personal representative of an estate under specified circumstances; etc.

EFFECTIVE JULY 1, 2000

Delegates Petzold and Vallario

HB 481 Resident Agents -- Service

Allowing units of the State government and political subdivisions and other local entities to file with the

Department of Assessments and Taxation the names, addresses, designations, and written consents of persons on whom process and notice may be served on behalf of the entities; authorizing resident agents to change addresses and resign; specifying that there is no charge for these filings; providing for the effect of these filings; providing for the effect of service on a resident agent; etc.

EFFECTIVE JULY 1, 2001

Chairman JUD (Maryland Judicial Conference)

HB 490 Wicomico County -- Appearance Fees -- Court Library

Altering provisions of law concerning the use of appearance fees collected by the Clerk of the Circuit Court for Wicomico County; requiring the Clerk to make a deposit of appearance fees monthly; altering the title of the account for appearance fees; repealing provisions of law limiting the use of the account to purchasing and maintaining legal publications under specified circumstances; requiring that the account is for the general use of the court library; etc.

Delegate Conway, et al

HB 497 Evidence -- Health Care Records and Writings

Making health care records and writings of specified persons regulated by another state to provide health care services admissible in specified civil trials without presenting testimony by the health care provider.

Delegates Zirkin and Vallario

HB 639 Washington County -- Orphans' Court -- Hours of Operation

Altering a provision of law so as to provide that the days and hours of operation of the Washington County Orphans' Court shall be set by the Court, in its judgment, to meet the requirements of public business and convenience.

Washington County Delegation

HB 641 Circuit Court Real Property Records Improvement Fund

Extending, from June 30, 2001, to June 30, 2006, the termination date of provisions of law establishing and governing the Circuit Court Real Property Records Improvement Fund.

Chairman APP (Maryland Judicial Conference)

HB 701 Baltimore City -- Abandoned Property -- Statute of Limitations and Damages

Establishing that the statute of limitations for an action at law or in equity against Baltimore City by a person with an interest in abandoned property is 3 years from the date a court vests title to the property in the City; and limiting the damages awarded to a person for improper taking of abandoned property by the City to the fair market value of the property at the time of the taking.

Delegate Marriott (Baltimore City Administration), et al

HB 725 Baltimore City -- Local Government Tort Claims Act -- Lexington Market, Inc.

Providing that Lexington Market, Inc., in Baltimore City, meets the definition of local government for the purposes of the Local Government Tort Claims Act; etc.

Delegate Marriott (Baltimore City Administration)

HB 742 Real Property -- Abatement of Nuisance -- Controlled Dangerous Substances

Clarifying that under provisions of law that relate to abatement of nuisances, an "owner" includes an owner-occupant and a "tenant" does not include the owner of the property; requiring a plaintiff who brings a specified nuisance abatement action to post a specified notice in a conspicuous place on the property on which the nuisance is located no later than 48 hours before the hearing; etc.

Delegate Marriott

HB 790 Landlord and Tenant -- Eviction -- Extreme Weather Conditions

Requiring that a warrant of restitution of residential property that is stayed by an administrative judge because of extreme weather conditions be executed within 3 days after the extreme weather conditions cease.

Delegate Krysiak

HB 791 Real Property -- Landlord Tenant

Conforming specified provisions of law to provisions that describe a judicial proceeding involving a landlord and a tenant; and authorizing the court to enter specified judgments against a tenant for failure to pay rent and late fees in a landlord and tenant proceeding.

EFFECTIVE JULY 1, 2000

Delegate Krysiak

HB 825 Land Patents -- Property Line Surveyors

Expanding the definition of "surveyor" to include a property line surveyor with respect to the application, review, and issuance of land patents; and authorizing the Commissioner of Land Patents to accept, under specified circumstances, a survey previously performed by a qualified property line surveyor in lieu of a survey performed under a warrant.

Delegates Love and Montague

HB 913 Circuit Courts -- Funding of Masters and Juror Per Diems

Requiring circuit court standing masters hired on or after July 1, 2002, to be State employees; authorizing existing masters to elect to become State employees; requiring the State to reimburse counties or Baltimore City for the salaries and benefits of county or Baltimore City employed masters; increasing the State juror per diem amount from \$5 to \$15; requiring counties to use the fiscal savings from the Act solely to increase local expenditures for circuit court or public safety purposes; etc.

EFFECTIVE JULY 1, 2001

Chairman APP (Maryland Judicial Conference) and Delegate Vallario

HB 937 Criminal History Records Check -- Parent or Guardian of Child in Out--of--Home Placement

Requiring a parent or guardian of a child committed to the local department of social services and placed in an out--of--home placement within the past year and any adult residing with the parent or guardian to obtain a criminal history records check if requested by a local department of social services; requiring the local department to reimburse an adult residing with the parent or guardian for specified costs; etc.

Delegate Montague

HB 939 Uniform Principal and Income Act

Enacting the 1997 revision of the Uniform Principal and Income Act; establishing default rules for fiduciaries administering a trust or estate to allocate receipts and disbursements to or between principal and income; etc.

Delegate Dembrow

HB 944 Prospective Jurors -- Motor Vehicle Administration Lists

Expanding the sources from which prospective jurors are selected to include lists of individuals who have received a driver's license or identification card from the Motor Vehicle Administration; requiring juror selection plans to include lists of individuals who have received a driver's license or identification card from the Motor Vehicle Administration; requiring that the Administration make the lists available to jury commissioners or clerks at no cost; and providing for a delayed effective date.

EFFECTIVE JANUARY 1, 2001

Delegate Zirkin, et al

HB 976 Child Support Orders -- Decedent Father's Estate -- Repeal

Repealing a provision of law authorizing a court to issue summons to representatives, heirs, or sureties on a bond of a decedent father and to the mother or other person in charge of a child, if the father dies after the court declares him to be the father or orders him to make child support payments; repealing a provision of law authorizing a court to order that an amount be paid from the decedent father's estate for support of a child; etc.

Delegate Mitchell

HB 977 Real Property -- Foreclosure Sales -- Notice and Disclosure Requirements

Requiring a person authorized to make a foreclosure sale of real property to give a specified notice to the county or municipal corporation where the property subject to the sale is located, not less than 15 days prior to sale; requiring a county or municipal corporation that receives a notice under the Act to disclose to the person authorized to make the foreclosure sale whether the county or municipal corporation has any outstanding liens, charges, taxes, or assessments against the property; etc.

Delegate Mitchell

HB 1038 Prince George's County Sheriff's Office -- Compensation PG 301--00

Increasing the salaries for the chief assistant sheriff and assistant sheriffs in Prince George's County; etc.

EFFECTIVE JULY 1, 2000

Prince George's County Delegation

HB 1195 Garrett County -- Marriage License Fee

Authorizing the Board of County Commissioners of Garrett County to set an additional marriage license fee of up to \$40 for funding domestic violence programs in Garrett County.

EFFECTIVE JULY 1, 2000

Delegate Edwards

HB 1294 Real Property -- Grants of Property -- Business Trusts

Excluding business trusts from provisions of law providing that a grant of property to a specified trust has the same effect as if the grantor had granted the property to a specified trustee.

Delegate Brown

HB 1393 Maryland Condominium Act -- Conditions of Right to Expand -- Calvert County

Providing that in Calvert County a right shall be deemed reserved in a condominium developer to expand a condominium for a specified amount of time; etc.

Calvert County Delegation

HB 1403 Family Law -- Access to Birth and Adoption Records -- Disclosure Veto

Transferring, from the Secretary of Health and Mental Hygiene to the Director of the Social Services Administration of the Department of Human Resources, the responsibility over the filing of a disclosure veto prohibiting the disclosure of specified information contained in specified birth or adoption records; and requiring the Director of the Social Services Administration to immediately forward a copy of the disclosure veto to the Secretary of Health and Mental Hygiene.

Delegate Turner

SJ 3 Judicial Compensation Commission Report

Providing that members of the Maryland Judiciary shall receive a general salary increase on a specified date if a general salary increase is provided to State employees in fiscal years 2001 and 2002.

The President (Judicial Compensation Commission)

HJ 5 **Judicial Compensation Commission Report**

Proposing a general increase in the salaries of the members of the Maryland Judiciary for fiscal years 2001 and 2002.

The Speaker (Judicial Compensation Commission)

Part G
Transportation and Motor Vehicles

- SB 19 **Motor Vehicle Administration -- Chesapeake Bay Commemorative License Plate Program -- Extension**
Extending the termination date of the Chesapeake Bay Commemorative License Plate Program until July 1, 2002.
EFFECTIVE JUNE 1, 2000
Senator Dorman
- SB 32 **Vehicle Law -- Vehicle Registration -- New Maryland Resident**
Increasing to 60 days the time allowed for a new Maryland resident to register the resident's vehicle and pay the appropriate vehicle excise tax.
Chairman JPR (Dept)
- SB 33 **Vehicle Law -- Businesses and Associations -- Federal Identification Number**
Requiring that a business, association, or corporation applying for a certificate of title of a vehicle supply a federal identification number on the application.
Chairman JPR (Dept)
- SB 34 **Vehicle Law -- Vehicle Transfers -- Continued Use of Registration Plates**
Allowing the continued use of the same registration plates on a vehicle that is transferred between specified family members under specified circumstances.
Chairman JPR (Dept)
- SB 40 **Vehicle Laws -- Drivers' Schools and Instructors**
Authorizing the Motor Vehicle Administration to immediately suspend, revoke, or deny certification of a drivers' school or instructor if the school or instructor has been convicted of a crime of moral turpitude; and providing for a hearing.
Chairman JPR (Dept)
- SB 45 **Motor Vehicle Law -- Commercial Vehicle Information Systems and Network Transponders**
Prohibiting a person from knowingly removing a Commercial Vehicle Information Systems and Network (CVISN) transponder from the commercial vehicle to which it is registered and placing it in another vehicle; and providing that the registered owner of the motor vehicle shall be liable if the CVISN transponder is placed in a commercial vehicle to which it is not registered.
Chairman JPR (Dept)
- SB 46 **Nonresident Motor Carrier Citation Program -- Repeal**
Repealing the provisions of the motor vehicle law relating to the nonresident motor carrier citation program.
Chairman JPR (Dept)
- SB 49 **Maryland Aviation Administration -- Financial Assistance for Public Use Airports**
Authorizing the Maryland Aviation Administration to grant or lend money for the establishment or operation of a privately owned airport that may be used by the public; and requiring the Administration to give priority to publicly owned airports when awarding loans and grants.

Chairman FIN (Dept)

SB 70 Motor Vehicle Administration -- Issuance of Identification Card

Authorizing the Motor Vehicle Administration to issue an identification card to an applicant who holds a temporary driver's license because the applicant's regular driver's license was confiscated on failure to pass a sobriety test.

Senator Miller

SB 149 Vehicle Laws -- Automotive--Related Industries -- Regulation

Requiring automotive repair facilities and vehicle storage facilities to maintain prescribed business records; requiring specified businesses to make specified records, vehicles, and major component parts available for inspection by the Motor Vehicle Administration (MVA) and by specified law enforcement officers; establishing civil penalties for specified regulatory violations; modifying the jurisdiction of the District Court; authorizing MVA investigators to issue citations for specified violations; etc.

Senator Stone (TF----Autmtv--Related Industries)

SB 281 Vehicle Laws -- Special Registration Plates -- Honoring State Agriculture

Requiring the Motor Vehicle Administration to develop and make available a specially designed registration plate honoring Maryland agriculture; prescribing who may apply for and the classes of vehicles eligible for the registration plate; providing the manner in which fees in connection with the registration plate will be established, collected, and distributed; etc.

EFFECTIVE JULY 1, 2000

Senator Baker, et al

SB 464 Vehicle Laws -- Noise Limitations -- Penalty

Changing the penalty for a violation of the noise limitations on the use of sound amplification systems from a civil penalty to a criminal fine of up to \$500.

Senator Colburn

SB 511 Vehicle Law -- Excise Tax Exemption for Vehicles Used in Coal Mining Operations -- Extension

Eliminating the December 31, 2000, termination date applicable to a provision of law that grants an exemption from the excise tax imposed under the Maryland Vehicle Law for qualifying vehicles used in coal mining operations.

Senator Hafer

SB 731 Transportation -- Priority Funding Areas

Requiring the Department of Transportation to report annually to the General Assembly on the attainment of transportation goals and benchmarks for the Maryland Transportation Plan and the Maryland Transportation Program; altering the time period for revising the Maryland Transportation Plan; altering provisions of law concerning the format of the Plan; etc.

Senator Van Hollen, et al

SB 811 Mass Transit Services -- Costs and Revenues

Modifying the percentage of operating costs that must be recovered from fares and other revenues for mass transit services; establishing a cost recovery goal of 50 percent; requiring implementation of specified performance indicators, in addition to the farebox recovery indicator, for mass transit services; requiring an independent management audit; establishing a panel to study mass transit policies; etc.

EFFECTIVE JULY 1, 2000

The President (Administration) and Senator Hoffman

SB 836 Motor Vehicles -- Reckless Driving -- Penalties

Increasing the number of points that the Motor Vehicle Administration is required to assess against an individual who is convicted of reckless driving; and increasing the fine that may be imposed on a person who is convicted of reckless driving.

Senators Jimeno and Forehand

HB 17 Maryland Aviation Administration -- Regional Air Service Development Program

Requiring the Maryland Aviation Administration (MAA) to establish a Regional Air Service Development Program to foster development of a system of regional air transportation facilities and scheduled air service linking underserved regions of the State to the national and international air transportation system; specifying the powers and duties of the MAA under the Program; requiring the MAA to develop a strategic plan and to make recommendations; providing for the funding of the Program; etc.

Delegate Taylor, et al

HB 104 Vehicle Laws -- Drivers Failing to Stop for School Buses -- Enforcement Initiative

Establishing a grant program to assist law enforcement agencies with enforcement efforts pertaining to motorists' failure to stop for school vehicles; establishing the School Bus Safety Enforcement Fund; providing \$600,000 each year, through fiscal year 2005, from uninsured motorist penalties to fund the program; requiring the Department of State Police to administer the program; increasing, from 2 to 3, the points assessed by the Motor Vehicle Administration against a motorist convicted for failure to stop for a school vehicle; etc.

EFFECTIVE JULY 1, 2000

Delegate Wood, et al

HB 114 Vehicle Laws -- Automotive--Related Industries -- Regulation

Requiring automotive repair facilities and vehicle storage facilities to maintain prescribed business records; requiring specified businesses to make specified records, vehicles, and major component parts available for inspection by the Motor Vehicle Administration (MVA) and by specified law enforcement officers; establishing civil penalties for specified regulatory violations; modifying the jurisdiction of the District Court; authorizing MVA investigators to issue citations for specified violations; etc.

Delegate DeCarlo (TF----Autmtv--Related Industries)

HB 120 Vehicle Laws -- Personal Residential Reserved Parking for Persons with Permanent Physical Disability -- Review of Eligibility

Requiring the Motor Vehicle Administration to conduct reviews of personal residential permits for reserved parking spaces every 2 years from the date of issuance; and requiring the Administration to revoke the personal residential permit for a reserved parking space and require the appropriate agency to remove any sign or other identification of the reserved space upon a determination that eligibility requirements are not being met.

EFFECTIVE JULY 1, 2001

Delegate K Kelly

HB 131 Motor Vehicle Administration -- Hearings -- Venue for Judicial Review

Altering a provision to provide that the proper venue in specified hearings concerning the license of a party to drive is in the county in which the party resides; altering a provision to provide that the proper venue in specified hearings concerning a license or privilege of a party is in the county where the principal place of business of the party is located; etc.

Delegate Arnick, et al

HB 169 Motor Vehicle Administration -- Chesapeake Bay Commemorative License Plate Program -- Extension

Extending the termination date of the Chesapeake Bay Commemorative License Plate Program until July 1, 2002.

EFFECTIVE JUNE 1, 2000

Delegate W Baker, et al

HB 207 Commercial Driver's License Violations -- Fines

Setting penalties for violations of provisions of the Motor Vehicle Law relating to commercial drivers' licenses.

Chairman CGM (Dept)

HB 220 Motor Vehicle Titling Tax -- Exercise of Option to Purchase Under Vehicle Leasing Agreement

Exempting from the motor vehicle titling tax a vehicle titled in this State that is transferred to a lessee who exercises an option under a vehicle lease to purchase the leased vehicle at the end of the lease; providing that a specified exemption from the tax does not apply until any Consolidated Transportation Bonds are no longer outstanding and unpaid; etc.

Delegate Dewberry, et al

HB 264 Vehicle Law -- Vehicles Over 10,000 Pound Rating -- Restriction on Passengers in Cargo Area

Prohibiting the drivers of trucks and trailers exceeding a specified gross vehicle weight rating from allowing a person to occupy the cargo area while the vehicle is operated on a highway; prohibiting a person from occupying the cargo area while the vehicle is operated on a highway; and providing specified exceptions.

Delegate Wood

HB 448 Motor Vehicle Law -- Violations -- Fines for Certain Violations

Requiring the driver of a diesel vehicle to stop for an emissions test when ordered to do so; authorizing the temporary seizure of specified vehicles for inspection, weighing, or measuring; setting penalties for failure to comply with an order to stop for inspection, weighing, or measuring and for violations of specified emissions, weight, and size limits; and prohibiting noncompliance with oversized or overweight load permits.

Chairman CGM (Dept)

HB 486 Vehicle Laws -- Special Registration Plates -- Honoring State Agriculture

Requiring the Motor Vehicle Administration to develop and make available a specially designed registration plate honoring Maryland agriculture; prescribing who may apply for and the classes of vehicles eligible for the registration plate; providing the manner in which fees will be established, collected, and distributed in connection with the registration plate; requiring the Administration to consult with the Maryland Agricultural Education Foundation, Inc. on specified matters; etc.

EFFECTIVE JULY 1, 2000

Delegate Conway, et al

HB 532 Vehicle Laws -- Issuance of Temporary "Maryland Only" Driver's License

Authorizing the Motor Vehicle Administration to issue a temporary driver's license, valid only in Maryland, to an applicant for reinstatement of a suspended or revoked driver's license, renewal of a driver's license, or a duplicate or corrected driver's license under specified circumstances; providing that a temporary license issued under the Act is valid for 90 days; etc.

Delegates Dembrow and Arnick

HB 541 Vehicle Laws -- Drivers' Schools and Instructors

Authorizing the Motor Vehicle Administration to immediately suspend, revoke, or deny certification of a drivers' school or instructor if the school or instructor has been convicted of a crime of moral turpitude; etc.

Delegate Bronrott, et al

- HB 557 Motor Vehicles -- Transfers Between Family Members -- Exemption from Excise Tax**
Exempting from the vehicle excise tax a vehicle transferred to a niece or nephew of the transferor if no money or other valuable consideration is involved in the transfer; etc.
Delegate Menes
- HB 676 Alcohol or Drug Related Offenses -- Evidence -- Tests**
Providing that a copy of a report of specified tests to determine alcohol concentration is admissible in a criminal trial concerning a violation of specified driver's license restrictions; providing that a specified determination of an alcohol concentration is prima facie evidence of a violation of specified alcohol restrictions; and providing that evidence of specified tests or analyses is not admissible in prosecutions of specified alcohol or drug related offenses if the evidence is obtained contrary to specified procedures.
Delegates Vallario and Petzold
- HB 929 Vehicle Laws -- Administrative Per Se Offenses -- Issuance of Identification Card**
Authorizing the Motor Vehicle Administration to issue an identification card to an applicant who has been issued a temporary license under circumstances involving an administrative per se offense.
Delegate Giannetti, et al
- HB 949 Real Property -- "Quick--Take" Condemnation -- Payment -- Time**
Requiring payment to a property owner from the court within a prescribed time in "quick--take" condemnation proceedings.
Delegate Giannetti
- HB 1010 State Highway Administration -- Controlled Access Highways -- Service Signage Program PG 410--00**

Modifying the authority of the State Highway Administration (SHA) to place signs relating to the availability of specified services along State controlled access highways; requiring the SHA to consult with the Department of Business and Economic Development and the appropriate local government officials on specified matters; etc.
Prince George's County Delegation
- HB 1108 Homicide by Motor Vehicle While Intoxicated or Under the Influence of Alcohol, Drugs, or Controlled Dangerous Substances -- License Revoc**
Requiring the clerk of the court to notify the Motor Vehicle Administration of persons convicted of homicide by a motor vehicle while intoxicated or under the influence of alcohol, drugs, or a controlled dangerous substance; requiring the Administration to revoke the license of a person convicted of homicide by a motor vehicle while intoxicated or under the influence of alcohol, drugs, or a controlled dangerous substance; etc.
Delegate Hutchins
- HB 1147 Bicycle and Pedestrian Access 2001**
Declaring specified policies of the State regarding bicycle and pedestrian access to transportation facilities; providing for a Director of Bicycle and Pedestrian Access in the office of the Secretary of the Department of Transportation; requiring the Director to develop a Statewide 20--Year Bicycle--Pedestrian Master Plan; expanding the focus of the Bicycle Advisory Committee to include pedestrians; requiring the Department to use the funds in the Transportation Trust Fund for specified purposes; etc.
EFFECTIVE JULY 1, 2000
Delegate Pitkin, et al

HB 1189 Transportation -- Priority Funding Areas

Requiring the Department of Transportation to submit an annual report to the Governor and General Assembly on the attainment of transportation goals and benchmarks for the approved and proposed Maryland Transportation Plan and approved and proposed Consolidated Transportation Program by a specified date; requiring an advisory committee to be assembled to advise the Department on specified matters; etc.

Delegate Guns

HB 1248 Mass Transit Services -- Costs and Revenues

Modifying the percentage of operating costs that must be recovered from fares and other revenues for mass transit services; establishing a cost recovery goal of 50%; requiring implementation of specified performance indicators, in addition to the farebox recovery indicator, for mass transit services; requiring an independent management audit; establishing a panel to study mass transit policies; etc.

EFFECTIVE JULY 1, 2000

The Speaker (Administration) and Delegate Rawlings

HB 1259 Vehicle Laws -- Licenses and Registration -- Outstanding Arrest Warrants

Requiring the Motor Vehicle Administration to suspend an individual's driver's license or privilege to drive and refuse to register or transfer the registration of the individual's vehicle if the individual is named in an outstanding arrest warrant; requiring the MVA to follow specified procedures before suspending a driver's license or privilege to drive or refusing to register a vehicle under the Act; establishing notice and hearing requirements; etc.

Delegates Minnick and Marriott

HB 1260 Passenger Railroad Services -- Bicycles -- Transport

Requiring the Mass Transit Administration to adopt regulations to facilitate the transportation of bicycles on passenger railroad services.

Delegate Moe

HB 1274 Motor Vehicle Administration -- Drivers' Licenses and Identification Cards

Modifying provisions under the Maryland Vehicle Law relating to the inclusion of photographs on drivers' licenses and identification cards; eliminating a requirement that an individual renewing a driver's license appear in person for each renewal; limiting the number of consecutive license renewals without an individual appearing in person at an office of the Motor Vehicle Administration; modifying a requirement pertaining to surrender of drivers' licenses; etc.

Delegate Wood, et al

HB 1406 Vehicle Laws -- Driver's License Restrictions -- Vision Correction

Authorizing an individual with a driver's license containing a vision related restriction who has had vision correction surgery, enabling the individual to qualify for an unrestricted license, to apply to the Motor Vehicle Administration for a corrected license or to carry, for a specified period, a written certification from a licensed ophthalmologist that the individual meets specified vision requirements.

Delegate Brinkley

SJ 8 Hughesville--Lexington Park Railway Corridor Commission

Requesting the Governor to establish the Hughesville--Lexington Park Railway Corridor Commission to take specified steps to initiate implementation of the recommendations of the 1998 Hughesville to Lexington Park Right-of-Way Preservation Study; providing for the appointment, membership, staff, and duties of the Commission; and requiring the Commission to submit a report to the Governor and the General Assembly by July 1, 2001.

Senator Dyson

Part H
Business and Economic Issues

- SB 64 **Housing -- Maryland Building Performance Standards**
Modifying the title of the building code; defining International Code Council; modifying the time limit in which the Department must adopt subsequent versions of the Standards; etc.
Chairman EEA (Dept)
- SB 71 **Maryland Solicitations Act**
Providing the Secretary of State with specified powers to take action against public safety solicitors that have violated the Maryland Solicitations Act; requiring registration of public safety solicitors; providing penalties for persons who violate this provision; prohibiting specified acts by public safety solicitors; changing the name of the Maryland Charitable Solicitations Act to the Maryland Solicitations Act; etc.
Chairman JPR (Dept)
- SB 75 **Charitable Solicitations**
Establishing a late filing fee for charitable organizations failing to file an annual report within a specified time period; clarifying that specified charitable organizations are exempt from specified requirements of the Maryland Charitable Solicitations Act; clarifying the exempt organizations that are required to submit a fund--raising notice to the Secretary of State; requiring charitable organizations and persons to be registered with the Secretary before entering into a fund--raising agreement under specified circumstances; etc.
Chairman JPR (Dept)
- SB 77 **Unemployment Insurance -- Self--Employment Assistance Program -- Modification of Termination Date**
Altering the termination provisions for the Self--Employment Assistance Program; providing for the termination of the Program when the Department of Labor, Licensing, and Regulation determines that federal funding or other sources of funding for self--employment assistance programs are no longer available; etc.
EFFECTIVE JUNE 1, 2000
Chairman FIN (Dept)
- SB 80 **Insurance -- Maryland Automobile Insurance Fund -- Motor Vehicle Administration Referrals**
Altering the conditions under which the Executive Director of the Maryland Automobile Insurance Fund is required to refer an individual to the Motor Vehicle Administration; etc.
Chairman FIN (Dept)
- SB 102 **Cecil County -- Alcoholic Beverages -- Golf Course Licenses**
Creating in Cecil County a golf course alcoholic beverages license; establishing the terms and conditions for the license; excluding the golf course alcoholic beverages license from the licenses to which restrictions on the aggregate number of licenses that the Board of License Commissioners may issue apply; and repealing provisions authorizing the Board to issue an existing golf course alcoholic beverages license to a club or organization.
EFFECTIVE JUNE 1, 2000
Senator Baker
- SB 116 **Workers' Compensation Commission -- Offsets and Credits for Overpayment of Certain Benefits**

Authorizing the Workers' Compensation Commission to order an offset or credit against an award for permanent partial disability benefits for vocational rehabilitation benefits previously provided to a covered employee or for temporary total disability benefits previously paid to a covered employee.

EFFECTIVE JUNE 1, 2000

Senators Dorman and Roesser

SB 117 Workers' Compensation -- Benefits for Permanent Prtl Disability -- Repeal of Sunset Provision for Benefit Payments for Certain Scheduled Mbrs

Repealing the termination date for specified changes to the workers' compensation benefit structure for permanent partial disability that exempt the loss of the thumb, fingers, and great toe from the lower tier of benefits and require the payment of benefits for the loss of the thumb, fingers, and great toe at the middle tier of benefits.

Senators Dorman and Roesser

SB 126 Baltimore City -- Alcoholic Beverages -- Licensing Restrictions

Prohibiting a license for the sale of alcoholic beverages to be transferred into the 1st precinct of the 23rd ward of Baltimore City; and repealing the termination date for prohibiting the issuance of Class B beer, wine and liquor restaurant licenses in the 1st precinct of the 23rd ward of Baltimore City.

EFFECTIVE JULY 1, 2000

Senator Della

SB 128 Baltimore City -- Alcoholic Beverages -- Licenses

Requiring in Baltimore City that a transfer of any alcoholic beverages license be completed not more than 180 days after the Board of Liquor License Commissioners for Baltimore City approves the transfer; repealing specified provisions regarding the expiration of a license in Baltimore City; establishing that a license in Baltimore City shall automatically expire under specified circumstances; establishing standards and procedures for extending the date of an automatic expiration of a license; etc.

EFFECTIVE JULY 1, 2000

Senator Della

SB 130 Baltimore City -- Alcoholic Beverages -- Summonses Served by Inspectors

Allowing inspectors employed by the Board of Liquor License Commissioners for Baltimore City to serve summonses for witnesses at hearings and inquiries of the Board.

EFFECTIVE JULY 1, 2000

Senator Della

SB 131 Baltimore City -- Alcoholic Beverages -- Sunday Sales for Class A Licensees

Prohibiting in Baltimore City the holder of a Class A retail alcoholic beverages license from selling alcoholic beverages on any Sunday before Thanksgiving and on any Sunday on or after New Year's Day; and raising a supplementary license fee to \$50.

Senator Della

SB 132 Baltimore City -- Alcoholic Beverages -- Arena License

Increasing to \$10,000 the license fee for an arena license issued by the Board of Liquor License Commissioners for Baltimore City.

Senator Della

SB 148 Mutual Insurance Holding Company Act

Establishing a process by which a mutual insurance company can convert to a stock insurer and form a mutual insurance holding company; requiring mutual insurers that wish to use this process to convert in accordance with a plan of reorganization; requiring a plan of reorganization to contain specified provisions;

providing membership rights to specified policyholders; providing for the application of mutual insurance policy terms and conditions after a reorganization; etc.

EFFECTIVE JUNE 1, 2000

Senator Astle

SB 166 Alcoholic Beverages -- Class A Licensees -- Lottery Ticket Terminal Operators

Providing that in establishments holding a Class A alcoholic beverages license a person 18 years old or older may be employed as a lottery ticket terminal operator.

Senator Haines, et al

SB 173 Insurance -- Cancellation of Policies -- Required Notice

Requiring specified insurers to provide a written notice of intention to cancel to an insured at least 10 days before the cancellation of an insurance policy.

EFFECTIVE JULY 1, 2000

Chairman FIN (Dept)

SB 179 Workers' Compensation -- Calculation of Hearing Loss

Requiring the calculation of hearing loss for workers' compensation to be measured by specified criteria; requiring the measurements to be conducted in a sound room that meets specified criteria; increasing the threshold of hearing for specified frequencies; altering the levels of hearing loss for which employers must provide specified compensation; etc.

Senator Hafer

SB 206 Homeownership Opportunities for Teachers

Declaring the intent of the General Assembly that the Department of Housing and Community Development develop a program to promote homeownership opportunities for teachers in consultation with the State Board of Education and local boards of education; etc.

EFFECTIVE JUNE 1, 2000

The President (Administration), et al

SB 237 State Board of Docking Masters

Establishing the State Board of Docking Masters in the Department of Labor, Licensing, and Regulation; providing for the membership, powers, and duties of the Board; providing for the establishment of an association of State licensed docking masters; establishing a Joint Committee on the Port of Baltimore; etc.

VARIOUS EFFECTIVE DATES

Senator Blount, et al

SB 253 Alcoholic Beverages -- Brewed Products -- Advertising Signs

Increasing the value, from \$50 to \$150, of a specified sign that a brewer, nonresident dealer, or beer wholesaler can provide to retail alcoholic beverages license holders; and prohibiting a specified sign to exceed a specified value.

Senator Bromwell

SB 280 Kent County -- Alcoholic Beverages -- Licensees

Authorizing the Kent County Board of License Commissioners to issue a caterer's license to a Class B restaurant or hotel (on--sale) beer and light wine licensee; altering the periods of time during which the Board may not issue a new alcoholic beverages license for use on premises that have previously been refused a license; establishing that the prohibition against the Board issuing a new license during specified time periods for use on premises that have previously been refused a license does not apply under specified circumstances; etc.

VARIOUS EFFECTIVE DATES

Senator Baker

- SB 307 **Motor Vehicle Liability Insurance -- Voluntary Cancellation of Policy -- Regulations**
Requiring the Motor Vehicle Administration, in consultation with the Maryland Insurance Administration and representatives of the automobile insurance industry, to adopt regulations that establish procedures to be used by an insurer to provide timely notification to an insured of specified penalties that may be imposed if the insured fails to renew or replace a motor vehicle liability insurance policy without surrendering the evidences of registration.
Senator Baker
- SB 354 **Business Regulation -- Registration of Service Station Dealers and Sale of Gasoline Products**
Extending to October 1, 2004, a conditional prohibition on the Comptroller of the State from issuing a certificate of registration to a retail service station dealer who markets motor fuel through a retail service station that has been altered, enlarged, or structurally modified; and altering the effective date of a provision that would require a producer, refiner, or wholesaler of motor fuel to extend voluntary allowances uniformly to all retail service station dealers supplied by the producer, refiner, or wholesaler.
Senator Ruben, et al
- SB 362 **Maryland Home Improvement Commission -- Sunset Extension and Program Evaluation**
Continuing the Maryland Home Improvement Commission in accordance with provisions of the Maryland Program Evaluation Act (Sunset Law) by extending to October 1, 2012, the termination provisions relating to the statutory and regulatory authority of the Commission; increasing the limitation on recovery from the Home Improvement Guaranty Fund to no more than \$15,000 to one claimant; etc.
Chairman EEA
- SB 363 **State Athletic Commission -- Sunset Extension and Program Evaluation**
Continuing the State Athletic Commission in accordance with provisions of the Maryland Program Evaluation Act (Sunset Law) by extending to July 1, 2011, the termination provisions relating to the statutory and regulatory authority of the Commission; and requiring a report to the General Assembly on or before October 1, 2001.
Chairman EEA
- SB 368 **Maryland Horse Racing Act -- Sunset Extension and Program Evaluation**
Extending to July 1, 2011, the date on which the Maryland Horse Racing Act terminates; requiring that an evaluation in accordance with the Maryland Program Evaluation Act (Sunset Law) be made of the Racing Commission and specified race fund advisory committees on or before July 1, 2010; and requiring that the Racing Commission inspect satellite simulcast facilities at least four times each year to determine if the permit holders are continuing to comply with specified requirements, including specified evaluations.
Chairman FIN
- SB 380 **Maryland Home Builder Registration Act**
Establishing the Home Builder Registration Unit in the Consumer Protection Division of the Office of the Attorney General; requiring the Unit, together with the home building industry, to create a consumer information pamphlet; establishing a Home Builder Registration Fund; providing that specified lenders are exempt from the requirements relating to registration provided they hire a registered builder; etc.
EFFECTIVE JANUARY 1, 2001
Senator Kelley, et al
- SB 446 **Task Force on Resource Based Industry in Maryland -- Establishment**
Establishing a Task Force on Resource Based Industry to examine the need for, and the feasibility of,

establishing a financing development authority for specified rural industries; requiring the Task Force to submit a report on or before December 1, 2000; providing for the membership of the Task Force; requiring the President of the Senate and the Speaker of the House jointly to appoint the co--chairs of the Task Force; etc.

EFFECTIVE JULY 1, 2000

Senator Middleton, et al

SB 465 Caroline County -- Alcoholic Beverages -- Open Container Law

Adding Caroline County to the list of counties in which a person may not possess in an open container any alcoholic beverage while in a shopping center or other specified areas.

Senator Colburn

SB 476 Wicomico County -- Alcoholic Beverages -- Wine Tasting and Sampling

Authorizing the Board of License Commissioners to issue a wine tasting (WT) license for wine tasting and sampling events in Wicomico County; restricting WT license holders to holders of Class A beer and wine (off--sale) licenses; providing for the application and renewal of a license; etc.

Senator Colburn

SB 477 Wicomico County -- Alcoholic Beverages -- Class B Beer and Light Wine License Fee

Increasing in Wicomico County the annual fee for a Class B beer and light wine license to \$400.

Senator Colburn

SB 478 Wicomico County -- Alcoholic Beverages -- Special Class C License Fees

Increasing in Wicomico County the fee for a special Class C beer license or a special Class C beer and wine license to \$30 per day; and increasing in Wicomico County the fee for a special Class C beer, wine and liquor license to \$45 per day.

Senator Colburn

SB 480 Public Utilities -- Underground Facilities -- Liability for Excavation or Demolition Damages

Limiting the liability of a person who damages an underground facility due to excavation or demolition if the owner of the facility has not become a member of a one--call system; providing that an owner of an underground facility who has failed to comply with specified requirements is liable for damages caused to the underground facility due to excavation or demolition by a person who complies with specified requirements; etc.

Senator Colburn

SB 499 Alcoholic Beverages -- Local Licensing Boards -- Appeals to Circuit Courts

Establishing that an alcoholic beverages licensee issued a license by the local licensing board, an applicant for an alcoholic beverages license from the local licensing board that made the decision, or a group of 10 or more residents or real estate owners in the precinct or voting district in which the licensed business is located or proposed to be located may appeal a decision of a local alcoholic beverages licensing board to the circuit court of the county under specified circumstances.

Senator Bromwell

SB 500 Workers' Compensation -- Subsequent Injury Fund -- Permanent Total Disability Claims -- Cost of Living Adjustments

Requiring that the Subsequent Injury Fund pay cost of living adjustments for specified permanent total disability workers' compensation claims arising during a specified period; requiring that the Fund make the payments in a lump--sum payment; providing for the construction and application of the Act; and providing for the termination of the Act.

EFFECTIVE JULY 1, 2000
Senator Teitelbaum, et al

- SB 549 **Garrett County -- Alcoholic Beverages -- Caterer's License**
Authorizing in Garrett County the Board of License Commissioners to issue a caterer's (CAT) license to persons who meet specified requirements; authorizing a license holder to keep for sale and sell or provide off--sale alcoholic beverages during a catered event; etc.
EFFECTIVE JULY 1, 2000
Senator Hafer
- SB 552 **For--Hire Driving Services**
Providing for an assessment on specified for--hire vehicle permits for specified purposes; authorizing the Public Service Commission to require an applicant to obtain a State criminal history records check through the Department of Public Safety and Correctional Services; requiring providers of taxicab services in Baltimore City licensed after July 1, 2002, to obtain specified training; establishing the For--Hire Driving Services Enforcement Fund using an assessment made on the vehicle permits; etc.
Senator Roesser
- SB 581 **Natural Gas Suppliers -- Licensing and Consumer Protection**
Requiring the Public Service Commission to license gas suppliers; providing that the Commission has authority to take specified actions with respect to gas suppliers; requiring the Commission to adopt consumer protection provisions; providing that the Act does not affect the authority of the Office of Consumer Protection in the Office of the Attorney General to enforce specified laws; etc.
EFFECTIVE JULY 1, 2000
Senator Frosh
- SB 586 **Workers' Compensation -- Temporary Total Disability Benefits -- Jurisdiction of the Commission**
Expanding the circumstances under which the Workers' Compensation Commission retains jurisdiction pending an appeal to include a request for temporary total disability benefits; authorizing the Commission, under specified circumstances, to pass a supplemental order that an employer provide temporary total disability benefits pending adjudication or resolution of the appeal; providing that the insurer or self--insurer is entitled to an offset or credit for overpayment of benefits under specified circumstances; etc.
Senator Astle
- SB 598 **Insurance Rating Law -- Exempt Commercial Policyholders**
Exempting from filing requirements under prior approval insurance rating law insurers that issue policies to exempt commercial policyholders; requiring an exempt commercial policyholder to certify to the insurer issuing coverage and the Insurance Commissioner that the policyholder meets specified criteria for exemption; specifying the contents of the certification; authorizing the Insurance Commissioner to require by regulation information about policies written for exempt commercial policyholders; etc.
Senator Dorman
- SB 627 **Caroline County -- Alcoholic Beverages -- Possession or Consumption**
Adding Caroline County to those counties that may regulate the possession or consumption of alcoholic beverages on public property or highways.
Senator Colburn
- SB 673 **Motor Coaches -- Not--for--Profit Entities**
Requiring not--for--profit entities that own and operate motor coaches with a capacity of at least 30 passengers and a gross vehicle weight rating of at least 32,000 pounds each to obtain licenses from the Public Service Commission; requiring those motor coaches to be inspected every 12 months at an authorized

inspection station; and providing that motor coaches licensed under the Act that only provide services by or on behalf of a not--for--profit entity are not subject to tariffs and rate making.

Senator Astle

SB 679 Maryland Agricultural Education and Rural Development Assistance Fund Act of 2000

Establishing the Maryland Agricultural Education and Rural Development Assistance Fund to be administered by the Board of Public Works as a continuing, nonlapsing fund; stating legislative findings and the purpose of the Act; providing for the purpose of the Fund; providing that expenditures from the Fund may only be made under specified circumstances; establishing the Maryland Agricultural Education and Rural Development Assistance Board; etc.

EFFECTIVE JULY 1, 2000

Senator Middleton, et al

SB 699 Business Occupations -- Plumbers -- Natural Gas Fitters License

Creating a master natural gas fitters license, a journeyman natural gas fitters license, and an apprentice natural gas fitters license; requiring that an individual shall be licensed by the State Board of Plumbing as a plumber or a natural gas fitter before providing natural gas services in the State; etc.

Senators Collins and Haines

SB 757 Alcoholic Beverages -- Hard Cider

Providing that hard cider shall be considered as beer for specified purposes; and specifying the alcohol content and other ingredients of hard cider.

Senator Astle

SB 763 Life Insurers -- Classes of Reserve Investments

Altering the classes of reserve investments authorized for life insurers; imposing specified limitations on classes of reserve investments authorized for life insurers; specifying that the reserve investments of a life insurer may include specified foreign investments; etc.

Senator Bromwell

SB 783 Business and Economic Development -- Financing Programs Consolidation Act of 2000

Consolidating the Department of Business and Economic Development's programs for financial assistance; repealing the Department's capacity to provide assistance for commercial rehabilitation; repealing the statute governing the Brownfields Revitalization Incentive Program within the Department; altering the list enumerating the Department's financial assistance programs; repealing the statute governing the Enterprise Zone Venture Capital Guarantee Fund; etc.

VARIOUS EFFECTIVE DATES

Senator Middleton, et al

SB 796 Baltimore City -- Alcoholic Beverages -- Closing Hours for Licensed Premises

Requiring in Baltimore City a licensed premises to cease all operations after a specified time; authorizing the Board of Liquor License Commissioners to exempt specified persons for specified purposes; entitling specified pharmacies to sell products other than alcohol after normal closing hours; providing an exception applicable to specified hotels; etc.

EMERGENCY BILL

Senators Della and Sfikas

SB 813 Racing Act of 2000

Establishing the Maryland Racing Facility Redevelopment Program; authorizing the Maryland Economic Development Corporation to issue bonds under specified circumstances; authorizing the Racing Commission

and the Corporation to deny the issuance of specified bonds under specified circumstances; altering the allocation of amounts bet on thoroughbred and harness races; altering the termination provision relating to the allocation of specified amounts bet on thoroughbred and harness races; etc.

CONTINGENT -- VARIOUS EFF. DATES

Senator Bromwell

SB 828 Baltimore City -- Alcoholic Beverages -- Caterer Privilege

Authorizing the Baltimore City Board of License Commissioners to add a special off--sale caterer privilege to specified alcoholic beverages licenses; authorizing a licensee who holds a caterer privilege to contract to provide specified services; establishing the hours that a licensee may exercise a caterer privilege; requiring a licensee who holds a caterer privilege to have food preparation and delivery facilities; providing that a caterer privilege is incorporated into the existing license; etc.

Senator Della

SB 857 Workers' Compensation Commission -- Location of Hearing

Altering the location where the Workers' Compensation Commission is required to hold a hearing on a claim; and altering the location of a hearing on a claim filed by an employee of a government agency.

Senators Dorman and Bromwell

SB 881 Injured Workers' Insurance Fund -- Regulation

Requiring the Injured Workers' Insurance Fund to be a member of the Property and Casualty Insurance Guaranty Corporation; increasing the number of members on the Board for the Fund; increasing the number of Board members that must concur for the Board to act; prohibiting a member from serving more than two terms under specified circumstances; repealing specified requirements regarding the Fund; etc.

Senator Bromwell

HB 62 Anne Arundel County -- Board of License Commissioners -- Issuance of Licenses

Authorizing the Anne Arundel County Board of License Commissioners to issue to holders of a Class H alcoholic beverages license a second Class H (beer, wine and liquor) or Class H (beer and wine) license under specified conditions; authorizing the Board to issue to persons who do not hold a license a maximum of two licenses under specified conditions; authorizing the Board to issue a Class H (beer and wine) license to an independent owner and operator of a restaurant that is part of a common franchise entity under specified conditions; etc.

EFFECTIVE JULY 1, 2000

Anne Arundel County Delegation

HB 93 Business Licenses -- Penalties

Increasing the fine for the failure to obtain or display certain business licenses from \$100 to \$300.

Chairman ECM (Dept)

HB 96 State Commission of Real Estate Appraisers -- Real Estate Appraiser Trainees -- Creation of License

Creating a real estate appraiser trainee license under the State Commission of Real Estate Appraisers; requiring an applicant to meet the Commission's requirements to qualify and obtain a real estate appraiser trainee license; authorizing a real estate appraiser trainee to provide appraisal services under a supervising appraiser's supervision; etc.

Chairman ECM (Dept)

HB 97 Unemployment Insurance -- Self--Employment Assistance Program -- Modification of Termination Date

Altering specified termination provisions for the Self--Employment Assistance Program; repealing specified plan approval requirements; providing for the termination of the Self--Employment Assistance Program

when the Department of Labor, Licensing, and Regulation determines that federal or other funding for the program is no longer available; requiring the Department to notify the Department of Legislative Services within 15 days after the determination that funding is no longer available for the program; etc.

EFFECTIVE JUNE 1, 2000

Chairman ECM (Dept)

HB 98 Department of Housing and Community Development -- Neighborhood Business Development Program -- Capital Access Program

Creating a capital access program in the Neighborhood Business Development Program to encourage private sector loans to qualifying small businesses; requiring that lenders enrolling loans under the Program enter into a specified agreement with the Department of Housing and Community Development; providing for participating lenders to establish loan reserve accounts; and authorizing the Department to use moneys from the Neighborhood Business Development Fund for contributions to specified loan reserve accounts; etc.

Chairman ECM (Dept) and Delegates Brown and Walkup

HB 119 Mutual Insurance Holding Company Act

Establishing a process by which a mutual insurance company can convert to a stock insurer and form a mutual insurance holding company; requiring mutual insurers that wish to use this process to convert in accordance with a plan of reorganization; requiring a plan of reorganization to contain specified provisions; providing membership rights to specified policyholders; providing for the application of mutual insurance policy terms and conditions after a reorganization; etc.

EFFECTIVE JUNE 1, 2000

Delegate Brown, et al

HB 142 Kent County -- Alcoholic Beverages -- Caterer's License

Allowing in Kent County a holder of a Class B restaurant or hotel (on--sale) beer and light wine license to be issued a caterer's license.

Delegate Walkup, et al

HB 182 Workers' Compensation -- Benefits for Permanent Prtl Disability -- Repeal of Sunset Provision for Benefit Payments for Certain Scheduled Mbrs

Repealing the termination date for specified changes to the workers' compensation benefit structure for permanent partial disability that exempt the loss of the thumb, fingers, and great toe from the lower tier of benefits and require the payment of benefits for the loss of the thumb, fingers, and great toe at the middle tier of benefits.

Delegates Mitchell and Fulton

HB 183 Workers' Compensation Commission -- Offsets and Credits for Overpayment of Certain Benefits

Authorizing the Workers' Compensation Commission to order an offset or credit against an award for permanent partial disability benefits for vocational rehabilitation benefits previously provided to a covered employee or for temporary total disability benefits previously paid to a covered employee.

EFFECTIVE JUNE 1, 2000

Delegates Mitchell and Fulton

HB 241 Anne Arundel County -- Board of License Commissioners -- Personnel

Authorizing the Board of License Commissioners for Anne Arundel County to hire up to two full--time administrators whose salaries shall be fixed by the Board within pay grade 16 in the general Anne Arundel County classified salary schedule; and increasing the number of liquor inspectors for the County.

Anne Arundel County Delegation

- HB 242 Anne Arundel County -- Alcoholic Beverages -- Class C Licenses**
Prohibiting in Anne Arundel County specified special Class C licenses from being issued for specified premises, unless the Board of License Commissioners approves, if any alcoholic beverages license for the premises previously has been denied, suspended, or revoked; increasing specified license fees; etc.
Anne Arundel County Delegation
- HB 243 Anne Arundel County -- Alcoholic Beverages -- Costs for Violations**
Altering from \$25 to \$100 the costs that the Anne Arundel County Board of License Commissioners is required to impose on a licensee or other party who violates an alcoholic beverages law or regulation.
Anne Arundel County Delegation
- HB 262 Kent County -- Alcoholic Beverages -- Issuance of Licenses**
Altering the periods of time during which the Kent County Board of License Commissioners may not issue a new alcoholic beverages license for use on premises that have previously been refused a license; and establishing that the prohibition against the Board issuing a new alcoholic beverages license for use on premises that have previously been refused a license does not apply if the refusal was for a legal defect or an omission, solely and expressly because of an improper prior applicant, or for a license transfer.
Delegate Walkup, et al
- HB 344 Insurance Agents and Brokers -- Records**
Requiring the Maryland Insurance Commissioner to adopt regulations establishing the minimum length of time for which and the manner in which an independent agent or broker is required to maintain records of insurance transactions conducted by the agent or broker.
Delegate Kach
- HB 402 Unemployment Insurance Benefits -- Maximum Benefit**
Increasing the amount of the maximum weekly unemployment insurance benefit to \$280 per week; and providing for the application of the Act.
EFFECTIVE JULY 1, 2000
Delegate Harrison, et al
- HB 413 Insurance -- Cancellation of Policies -- Required Notice**
Requiring specified insurers to provide a written notice of intention by certificate of mailing to an insured before the cancellation of an insurance policy.
Chairman ECM (Dept)
- HB 414 Alcoholic Beverages -- Permits -- Limited Winery License and Restrictions Upon Retail Dealers**
Creating a winery special event permit, which may be issued by the Comptroller; setting the fees and qualifications for the permit; limiting the number of permits that may be issued to a specified winery licensee in any calendar year for use in a political subdivision; setting the conditions under which the permit may be issued; and setting the conditions under which manufacturers may bring specified products to a retail licensed premises.
Chairman ECM (Dept)
- HB 427 Frederick County -- Alcoholic Beverages -- Cultural Arts Center License**
Establishing in Frederick County a special beer and wine license for the Cultural Arts Center of Frederick County; specifying that the annual license fee shall be \$100; authorizing the licensee to store for sale and sell beer and wine to the public; and specifying the times during which the beer and wine shall be consumed.
Frederick County Delegation

- HB 453 St. Mary's County -- Alcoholic Beverages -- License Renewal**
Authorizing in St. Mary's County the renewal of an alcoholic beverages license under specified conditions; setting a 1--year term and an April 30 expiration date for a license; and authorizing a holder of an expired license to apply for a new license.
St. Mary's County Delegation
- HB 489 Wicomico County -- Alcoholic Beverages -- License Fees**
Increasing in Wicomico County specified alcoholic beverages license fees; and generally relating to alcoholic beverages licenses in Wicomico County.
Delegate Conway, et al
- HB 492 Wicomico County -- Alcoholic Beverages -- Wine Tasting and Sampling**
Authorizing the Board of License Commissioners to issue a wine tasting (WT) license for wine tasting and sampling events; restricting license holders to holders of Class A beer and wine (off--sale) licenses; specifying a \$150 annual license fee; etc.
Delegate Conway, et al
- HB 504 Alcoholic Beverages -- Local Licensing Boards -- Appeals to Circuit Courts**
Establishing that any alcoholic beverages licensee issued a license by the local licensing board, an applicant for an alcoholic beverages license that is the subject of the decision by the local licensing board, or a specified group in which the licensed place of business is located or proposed to be located may appeal a decision of a local alcoholic beverages licensing board to the circuit court of the county under specified circumstances.
Delegate Arnick
- HB 513 Alcoholic Beverages -- Brewed Products -- Advertising Signs**
Increasing the value from \$50 to \$150 of a specified sign that a brewer, nonresident dealer, or beer wholesaler can provide to retail alcoholic beverages license holders; and prohibiting a specified sign to exceed a specified value.
Delegate Love, et al
- HB 538 Garrett County -- Alcoholic Beverages -- Resort Licenses**
Authorizing the Board of License Commissioners of Garrett County to issue a Class B--resort license; specifying requirements to be met by the premises for which a resort license is sought; requiring that a licensee of a resort license may exercise specified privileges; requiring a holder of a resort license who seeks to sell draft beer to obtain a special license; specifying fees; etc.
EFFECTIVE JULY 1, 2000
Delegate Edwards
- HB 548 Home Improvement Guaranty Fund -- Payment of Claims**
Altering the amount of approved claims against a home improvement contractor under the Home Improvement Guaranty Fund that must be submitted to the Maryland Home Improvement Commission before the Commission may pay the approved claims proportionately.
Delegate Barve
- HB 565 Charles County -- Alcoholic Beverages -- License Transfers**
Clarifying that, when seeking a transfer of an existing alcoholic beverages license, the transferor or assignor must present to the Board of License Commissioners certification from the Treasurer of the County showing that specified taxes do not remain unpaid.

Charles County Delegation

HB 566 Charles County -- Possession and Consumption of Alcohol -- Regulation

Altering provisions of law authorizing specified counties to regulate the possession and consumption of alcohol on any public property, on property used by the public in general, or on any highway to include Charles County.

Charles County Delegation

HB 580 State Athletic Commission -- Sunset Extension and Program Evaluation

Continuing the State Athletic Commission in accordance with provisions of the Maryland Program Evaluation Act (Sunset Law) by extending to July 1, 2011, the termination provisions relating to the statutory and regulatory authority of the Commission; and requiring a report to the General Assembly on or before October 1, 2001.

Chairman ECM

HB 581 Maryland Home Improvement Commission -- Sunset Extension and Program Evaluation

Continuing the Maryland Home Improvement Commission in accordance with the provisions of the Maryland Program Evaluation Act (Sunset Law) by extending to October 1, 2012, the termination provisions relating to the statutory and regulatory authority of the Commission; increasing the limitation on recovery from the Home Improvement Guaranty Fund for specified persons; requiring that an evaluation of the Commission and the statutes and regulations that relate to the Commission be performed on or before July 1, 2011; etc.

Chairman ECM

HB 612 Workers' Compensation -- Temporary Total Disability Benefits -- Jurisdiction of the Commission

Expanding the circumstances under which the Workers' Compensation Commission retains jurisdiction pending an appeal to include a request for temporary total disability benefits; authorizing the Commission, under specified circumstances, to pass a supplemental order that an employer provide temporary total benefits pending an appeal; providing that the insurer or self--insurer is entitled to an offset or credit for overpayment of benefits under specified circumstances; etc.

Delegate Moe, et al

HB 664 Kent County -- Alcoholic Beverages -- Sunday Opening Time

Changing to 9 a.m. the Sunday opening time for specified Kent County alcoholic beverages licensees.

Delegates Walkup and W Baker

HB 802 Alcoholic Beverages -- Montgomery County (Kensington) -- Special B--K License MC 14--00

Authorizing the Montgomery County Board of License Commissioners to issue a special alcoholic beverages license to a restaurant located in specified areas of the town of Kensington in Montgomery County; establishing the privileges, terms, and conditions for the license; and submitting the Act to a referendum of the legally qualified voters of the town of Kensington.

REFERENDUM -- EFF. JUNE 1, 2000

Montgomery County Delegation

HB 811 Maryland Home Builder Registration Act

Establishing the Home Builder Registration Unit in the Consumer Protection Division of the Office of the Attorney General; requiring the Unit, together with the home building industry, to develop a consumer information pamphlet; providing that specified lenders are exempt from registration, provided they hire a registered builder; establishing a Home Builder Registration Fund; etc.

EFFECTIVE JANUARY 1, 2001

Delegate Kach, et al

HB 818 Insurance Rating Law -- Exempt Commercial Policyholders

Exempting from filing requirements under prior approval insurance rating law insurers that issue policies to exempt commercial policyholders; requiring an exempt commercial policyholder to certify to the insurer issuing coverage and the Insurance Commissioner that it meets specified criteria for exemption; authorizing the Insurance Commissioner to require by regulation information about policies written for exempt commercial policyholders; etc.

Delegate Kach

HB 827 Workers' Compensation -- Calculation of Hearing Loss

Requiring the calculation of hearing loss for workers' compensation to be measured by specified criteria; requiring the measurements to be conducted in a sound room that meets specified criteria; increasing the threshold of hearing for specified frequencies; altering the levels of hearing loss for which employers must provide compensation; etc.

Delegate Love

HB 844 Real Estate Brokers -- Continuing Education Requirements

Requiring that specified continuing education courses for real estate brokers, associate real estate brokers, and real estate salespersons relate to real estate or the provision of real estate brokerage services; authorizing a member association of the Maryland Association of Realtors to conduct the continuing education courses; etc.

Delegates Minnick and DeCarlo

HB 874 Caroline County -- Alcoholic Beverages Licensees -- Fingerprinting and Criminal Records Check

Requiring in Caroline County the Board of License Commissioners to obtain from the Criminal Justice Information System Central Repository specified criminal records of applicants when the Board is considering an applicant for a new alcoholic beverages license or the transfer of an alcoholic beverages license; requiring an applicant to submit fingerprints; requiring the Board to charge a fee to cover the costs of the fingerprinting and criminal records check required by the Act; etc.

Delegate Eckardt, et al

HB 887 Public Service Commission and People's Counsel -- Personnel

Authorizing the Public Service Commission (PSC) and the Office of People's Counsel (OPC) to alter the salary plan and classes of their respective personnel, subject to specified review; providing that specified personnel of the PSC and of the OPC are in the executive service or the management service or are special appointments in the State Personnel Management System; requiring annual reports by specified dates; clarifying the method of funding of the Office of People's Counsel; etc.

EFFECTIVE JULY 1, 2000

Delegate Guns, et al

HB 932 Maryland Agricultural Education and Rural Development Assistance Fund Act of 2000

Establishing the Maryland Agricultural Education and Rural Development Assistance Fund to be administered by the Board of Public Works as a continuing, nonlapsing fund; stating legislative findings and the purpose of the Act; providing for the purpose of the Fund; providing that expenditures from the Fund may only be made under specified circumstances; establishing the Maryland Agricultural Education and Rural Development Assistance Board; etc.

EFFECTIVE JULY 1, 2000

Eastern Shore Delegation, et al

HB 933 Task Force on Resource Based Industry in Maryland -- Establishment

Establishing a Task Force on Resource Based Industry to examine the need for, and the feasibility of, establishing a financing development authority for specified rural industries; requiring the Task Force to submit a report on or before December 1, 2000; providing for the membership of the Task Force; requiring the President of the Senate and the Speaker of the House jointly to appoint the co--chairs of the Task Force; etc.

EFFECTIVE JULY 1, 2000

Eastern Shore Delegation, et al

HB 967 Alcoholic Beverages -- License Prohibitions -- Exceptions

Creating an exception to the prohibition against issuing specified alcoholic beverages licenses to specified persons; etc.

EFFECTIVE JUNE 1, 2000

Delegate Love, et al

HB 971 Motor Coaches -- Not--for--Profit Entities

Requiring not--for--profit entities that own and operate motor coaches with a capacity of at least 30 passengers and a gross vehicle weight rating of at least 32,000 pounds each to obtain licenses from the Public Service Commission; requiring those motor coaches to be inspected every 12 months at an authorized inspection station; and providing that motor coaches licensed under the Act that only provide services by or on behalf of a not--for--profit entity are not subject to tariffs and rate making.

Delegate Baldwin, et al

HB 972 Business and Economic Development -- Financing Programs Consolidation Act of 2000

Consolidating the Department of Business and Economic Development's programs for financial assistance; repealing the Department's capacity to provide assistance for commercial rehabilitation; repealing the statute governing the Brownfields Revitalization Incentive Program within the Department; altering the list enumerating the Department's financial assistance programs; repealing the statute governing the Enterprise Zone Venture Capital Guarantee Fund; etc.

VARIOUS EFFECTIVE DATES

Delegate Busch, et al

HB 978 Life Insurers -- Classes of Reserve Investments

Altering the classes of reserve investments authorized for life insurers; imposing specified limitations on classes of reserve investments authorized for life insurers; specifying that the reserve investments of a life insurer may include specified foreign investments; etc.

Delegates Krysiak and Brown

HB 979 Insurance -- Regulation of Extraordinary Dividends and Distributions

Altering the circumstances under which a dividend or distribution of cash or other property by a specified insurer is considered extraordinary; providing that the insurer may not pay an extraordinary dividend or make a distribution except under specified circumstances; and clarifying that specified provisions regulating transactions within insurance holding company systems apply to specified insurers.

Delegate Busch

HB 980 Injured Workers' Insurance Fund -- Regulation

Requiring the Injured Workers' Insurance Fund to be a member of the Property and Casualty Insurance Guaranty Corporation; increasing the number of members on the Board for the Fund; increasing the number of Board members that must concur for the Board to act; prohibiting a member from serving for more than two terms under specified circumstances; repealing specified requirements regarding the Fund; etc.

Delegate Busch (TF----Injured Workers' Insurance Fund)

- HB 998 Business Regulation -- Registration of Service Station Dealers and Sale of Gasoline Products**
Extending to October 1, 2004, a conditional prohibition on the Comptroller of the State from issuing a certificate of registration to a retail service station dealer who markets motor fuel through a retail service station that has been altered, enlarged, or structurally modified; and altering the effective date of a provision that would require a producer, refiner, or wholesaler of motor fuel to extend voluntary allowances uniformly to all retail service station dealers supplied by the producer, refiner, or wholesaler.
Delegate Harrison, et al
- HB 1008 Prince George's County -- Alcoholic Beverages -- License Fees and Inspector Salaries PG 306--00**
Increasing the annual fees for specified classes of alcoholic beverages licenses in Prince George's County; altering the salaries of part--time inspectors in Prince George's County; etc.
Prince George's County Delegation
- HB 1026 Prince George's County -- Alcoholic Beverages -- Additional Class B Licenses PG 308--00**
Authorizing the Prince George's County Board of License Commissioners to allow specified individuals and entities to hold or have an interest in more than one Class B beer, wine and liquor license for restaurants that are located in specified areas under specified circumstances.
Prince George's County Delegation
- HB 1058 Montgomery County -- Alcoholic Beverages Licenses MC 5--00**
Authorizing in Montgomery County the issuance of Class B beer, wine and liquor licenses in specified election districts of Montgomery County; authorizing the issuance of specified multiple licenses to single licensees for use in a specified area of Germantown; altering the number of licenses a single licensee may hold in Montgomery County under specified conditions; etc.
Montgomery County Delegation
- HB 1112 Frederick County and Baltimore County -- Alcoholic Beverages -- Light Wine Licenses**
Authorizing a Class A light wine licensee in Frederick County and Baltimore County to keep for sale and sell light wines and ports with 21 percent or less alcohol by volume.
Frederick County Delegation and Baltimore County Delegation
- HB 1123 Alcoholic Beverages -- Hard Cider**
Providing that hard cider shall be considered as beer for specified purposes; and specifying the alcohol content and other ingredients of hard cider.
Delegate Barve
- HB 1128 St. Mary's County -- Alcoholic Beverages -- Special Licenses**
Authorizing in St. Mary's County the Board of License Commissioners to issue special Class C alcoholic beverages licenses to specified persons; and authorizing a holder of a special license to purchase alcoholic beverages from a retail dealer.
St. Mary's County Delegation
- HB 1129 Automobile Insurance -- Proof of Insurance**
Requiring an authorized insurer to provide specified proof of insurance upon renewal of an automobile insurance policy and on request of an insured or person with an insurable interest in property; authorizing an insurer to require specified authorization before providing proof of insurance; etc.
Delegate Love, et al
- HB 1134 Natural Gas Suppliers -- Licensing and Consumer Protection**
Requiring the Public Service Commission to license gas suppliers; providing that the Commission has

authority to take specified actions with respect to gas suppliers; requiring the Commission to adopt consumer protection provisions; providing that the Act does not affect the authority of the Office of Consumer Protection in the Office of the Attorney General to enforce specified laws; etc.

EFFECTIVE JULY 1, 2000

Delegate D Davis, et al

HB 1154 Baltimore City -- Alcoholic Beverages -- Closing Hours for Licensed Premises

Requiring in Baltimore City a licensed premises to cease all operations after a specified time; authorizing the Board of Liquor License Commissioners to exempt specified persons for specified purposes; entitling specified pharmacies to sell products other than alcohol after normal closing hours; providing an exception applicable to specified hotels; etc.

EMERGENCY BILL

Delegate Dypski, et al

HB 1208 Economic Development -- Enterprise Zones

Requiring designated enterprise zones to be located in areas that are designated as priority funding areas or meet an exception; requiring the Department of Business and Economic Development to consider whether a business project is located in a focus area or an enterprise zone when making specified funding decisions; establishing a Task Force to Study the Maryland Enterprise Zone Program; etc.

VARIOUS EFFECTIVE DATES

Delegates Hill and Brown

HB 1209 Maryland Science, Engineering, and Technology Development Corporation

Altering the name and Board membership of the Maryland Science, Engineering, and Technology Development Corporation; authorizing the Corporation to make grants or provide financing for technology--based businesses and engage specified persons; providing for the confidentiality of specified documents; providing for coverage of the Corporation's employees and officials by the Maryland Tort Claims Act; etc.

EFFECTIVE JULY 1, 2000

Delegate Barve, et al

HB 1257 Workers' Compensation Insurer -- Office and Personnel Requirements

Requiring an insurer that provides workers' compensation insurance to have in the State an office run by a competent individual; requiring workers' compensation insurers in the State, governmental self--insurance groups, and employers that self--insure to establish toll--free telephone numbers; etc.

Delegate McClenahan

HB 1286 Wicomico County -- Liquor Dispensaries -- Products

Authorizing the Wicomico County liquor dispensaries to sell chilled beer, nonchilled beer, wine, liquor, ice, and bottled water.

Delegate Conway, et al

HB 1287 Wicomico County -- Liquor Control Board -- Salaries

Increasing from \$2,000 and \$2,500, respectively, to \$2,750 and \$3,500, respectively, the salaries of the members and Chairman of the Liquor Control Board of Wicomico County; and providing that the Act does not apply to the salary or compensation of the incumbent members and Chairman of the Liquor Control Board of Wicomico County.

Delegate Conway, et al

HB 1288 Wicomico County -- Liquor Control Board -- Borrowing Limit

Increasing the amount of money that the Liquor Control Board of Wicomico County may borrow to \$500,000.

Delegate Conway, et al

HB 1298 Security Systems Technicians -- Denial of Registration

Requiring the Secretary of the State Police, to consider specified mitigating factors before denying an applicant's registration as a security systems technician because that applicant pleaded guilty or nolo contendere or was convicted of a felony, theft offense, or crime of moral turpitude.

Delegate Conway, et al

HB 1301 Economic Development -- Maryland Stadium Authority -- Hippodrome Performing Arts Center

Authorizing the Maryland Stadium Authority to provide for the development of the Hippodrome Performing Arts Center; specifying how funds are to be raised and used; requiring the Authority to seek specified agreements with other entities; authorizing the Authority to transfer or allow an Authority affiliate to transfer to any individual or entity specified tax credits to which the Authority or Authority affiliate would be entitled; etc.

EFFECTIVE JULY 1, 2000

Chairman HRU (Dept)

HB 1302 Economic Development -- Property Tax Payments -- Hippodrome Performing Arts Center

Enabling the owner of the Hippodrome Performing Arts Center to negotiate a payment in lieu of property taxes with the Baltimore City Board of Estimates; and making the Act contingent on the passage of another Act.

CONTINGENT -- EFF. JULY 1, 2000

Chairman HRU (Dept)

HB 1332 Charles County -- Alcoholic Beverages -- Sales to Underage Persons

Authorizing the Charles County Board of License Commissioners to impose a \$50 maximum fine for employees of licensees who sell or furnish alcoholic beverages to underage persons; etc.

Charles County Delegation

HB 1339 Property and Casualty Insurers -- Requests for Data by Commissioner

Authorizing the Insurance Commissioner to request by bulletin from a property and casualty insurer data about policies written by the insurer; specifying the contents of a request by bulletin; requiring that data requested by bulletin be filed with the Commissioner in a required form; providing for the expiration of a request by bulletin after 2 years; requiring the Commissioner to provide specified notice to an insurer under specified circumstances before granting an application to inspect specified data filed by the insurer; etc.

Delegate Donoghue

HB 1345 Anne Arundel County -- Alcoholic Beverages -- Bottle Clubs

Regulating the operation of bottle clubs in Anne Arundel County; and prohibiting an owner or operator of a bottle club from evading the alcoholic beverages laws in the County and from selling, giving, serving, dispensing, keeping, or allowing to be consumed in the bottle club alcoholic beverages and specified other beverages.

Anne Arundel County Delegation

HB 1348 Workers' Compensation Commission -- Location of Hearing

Altering the location where the Workers' Compensation Commission is required to hold a hearing on a claim; and altering the location of a hearing on a claim filed by an employee of a government agency.

Delegate Mitchell

HB 1384 Baltimore City -- Alcoholic Beverages -- License Fees

Increasing in Baltimore City specified alcoholic beverages license fees by specified amounts.
Delegate C Davis

HB 1386 Howard County -- Economic Development Incentive Fund Ho. Co. 13--00

Altering the uses of the Howard County Economic Development Incentive Fund to include encouraging and supporting the creation of new businesses in the County; and authorizing the use of the Fund to obtain funding to enhance State government grants.

Howard County Delegation

HB 1389 Washington County -- Gaming Commission -- Tip Jar Proceeds

Altering the effective dates of the appointment of members of the Washington County Gaming Commission; establishing a specified distribution of specified tip jar proceeds to specified entities; limiting the distribution of tip jar proceeds to \$50,000 to each applicant per application; etc.

EFFECTIVE JULY 1, 2000

Washington County Delegation

HB 1402 Private Detective Agencies -- Hiring Individuals Not Certified as Private Detectives

Providing that an individual who is not certified as a private detective may provide private detective services in the State if the individual is employed by or has applied for employment with a licensed private detective agency, the licensed private detective agency has taken specified steps to have the individual certified as a private detective, the individual passes a preliminary investigation, and the Secretary of the State Police has not denied the application.

EMERGENCY BILL

Delegate McClenahan, et al

Part I
Financial Institutions, Commercial Law and Corporations

- SB 3 **Commercial Law -- The Maryland Uniform Electronic Transactions Act**
Adopting the Maryland Uniform Electronic Transactions Act; limiting the application of the Act to transactions where the parties have agreed to conduct transactions electronically; providing that an agreement to conduct a transaction electronically may not be contained in a standard form contract under specified circumstances; providing that an agreement to conduct a transaction electronically may not be inferred solely from specified facts; etc.
EFFECTIVE JUNE 1, 2000
Senator Miller
- SB 37 **Entity Names -- Business Trusts**
Clarifying that business trusts are subject to the provisions of law governing the use of business entity names.
Chairman JPR (Dept)
- SB 142 **Maryland Uniform Computer Information Transactions Act**
Adopting the Maryland Uniform Computer Information Transactions Act; specifying that provisions of specified consumer protection laws apply to the subject matter of consumer contracts; establishing provisions of law applicable to agreements to create, modify, transfer, or distribute computer software, computer data and databases, Internet and online information, and computer information and products; establishing a Joint Technology Oversight Committee; etc.
VARIOUS EFFECTIVE DATES
Senator Miller, et al
- SB 145 **Consumer Protection -- Contracts -- Late Fees**
Clarifying the circumstances under which parties to a contract may agree to the payment of late fees; authorizing the parties to a contract to agree to require that late fees be paid when a party fails to make a payment when due; requiring full disclosure of any late fees; requiring that specified late fees be disclosed in a specified manner; establishing specified limitations on the amount and duration of late fees included in specified consumer contracts; etc.
VARIOUS EFFECTIVE DATES
Senator Bromwell
- SB 340 **Commercial Law -- Revolving Credit Plans -- Access to Home Equity Credit Through Use of Credit Device**
Repealing a provision of law that prohibits a revolving credit plan from being secured by a lien on residential real property under specified circumstances.
Senator Astle
- SB 450 **Check Cashing Services -- Licensing -- Maximum Fees**
Prohibiting a person from providing check cashing services unless licensed by the Commissioner of Financial Regulation or exempt from licensure under specified circumstances; exempting specified check cashing services, loans, and financial institutions from the applicability of the Act; exempting subsidiaries and affiliates of specified financial institutions from specified provisions of the Act; establishing the qualifications, procedures, and fees for check cashing license applicants; etc.
Senator Currie, et al

- SB 816 Fiduciary Institutions -- Customer Financial Records -- Allowable Disclosures**
Allowing a fiduciary institution or its officers, employees, agents, or directors to disclose a customer's financial records and any other information if exploitation is suspected and a report of suspected exploitation is filed with an adult protective services program; providing that there is no liability on the part of and no cause of action shall arise against, and there shall be specified immunity for, a fiduciary institution or specified persons for actions or omissions related to the report of suspected exploitation; etc.
Senator Bromwell
- SB 830 Commissioner of Financial Regulation -- Investigative and Enforcement Powers**
Authorizing the Commissioner of Financial Regulation to make investigations to determine whether a person has violated a provision of law, regulation, rule, or order over which the Commissioner has jurisdiction; authorizing the Commissioner to administer oaths, subpoena witnesses, and require the production of documents for an investigation; requiring the Governor to appropriate to the Division of Financial Regulation funding for the positions necessary to implement the Act; etc.
EFFECTIVE JUNE 1, 2000
Senator Sfikas, et al
- SB 872 Credit Regulation -- Mortgage Lending**
Clarifying the fees that may be charged by a mortgage broker; prohibiting a mortgage broker from charging a specified finder's fee under specified circumstances; prohibiting a mortgage broker from receiving any fee in the form of a note, mortgage, or other evidence of indebtedness; prohibiting a finder's fee from being charged unless it is pursuant to a specified written agreement between the mortgage broker and the borrower; requiring that a copy of the agreement be provided to the borrower within a specified period of time; etc.
Senator Kelley, et al
- HB 16 Corporate Charter Computerization and Administration Fund**
Authorizing the Department of Assessments and Taxation to use a specified fund for the costs of reviewing, processing, and auditing specified documents filed or requested; requiring specified fees, revenues, and recordation taxes to be credited to the fund; increasing the fee for recording documents on an expedited basis; altering the fee payable by a business trust for processing specified documents on an expedited basis; etc.
VARIOUS EFFECTIVE DATES
Delegate Barve, et al
- HB 18 Commercial Law -- The Maryland Uniform Electronic Transactions Act**
Adopting the Maryland Uniform Electronic Transactions Act; limiting the application of the Act to transactions where the parties have agreed to conduct transactions electronically; providing that an agreement to conduct a transaction electronically may not be contained in a standard form contract under specified circumstances; providing that an agreement to conduct a transaction electronically may not be inferred solely from specified facts; etc.
EFFECTIVE JUNE 1, 2000
Delegate Taylor, et al
- HB 19 Maryland Uniform Computer Information Transactions Act**
Adopting the Maryland Uniform Computer Information Transactions Act; specifying that provisions of specified consumer protection laws apply to the subject matter of consumer contracts; establishing provisions of law applicable to agreements to create, modify, transfer, or distribute computer software, computer data and databases, Internet and online information, and computer information and products; establishing a Joint Technology Oversight Committee; etc.

VARIOUS EFFECTIVE DATES

Delegate Taylor, et al

- HB 35 **Motorized Wheelchair Warranty Enforcement Act -- Inclusion of Motorized Scooters**
Expanding the scope of the Motorized Wheelchair Warranty Enforcement Act to include motorized scooters and other motorized wheeled devices that are designed to provide mobility assistance for individuals with disabilities.
Delegate Pendergrass, et al
- HB 516 **Check Cashing Services -- Licensing -- Maximum Fees**
Prohibiting a person from providing check cashing services unless licensed by the Commissioner of Financial Regulation or exempt from licensure under specified circumstances; exempting specified check cashing services, loans, and financial institutions from the applicability of the Act; exempting subsidiaries and affiliates of specified financial institutions from specified provisions of the Act; establishing the qualifications, procedures, and fees for check cashing license applicants; etc.
Delegate Bobo, et al
- HB 698 **Commercial Law -- Revolving Credit Plans -- Access to Home Equity Credit Through Use of Credit Device**
Repealing a provision of law that prohibits a revolving credit plan from being secured by a lien on residential real property under specified circumstances.
Delegate McIntosh, et al
- HB 727 **Commissioner of Financial Regulation -- Investigative and Enforcement Powers**
Authorizing the Commissioner of Financial Regulation to make investigations to determine whether a person has violated a provision of law, regulation, rule, or order over which the Commissioner has jurisdiction; authorizing the Commissioner to administer oaths, subpoena witnesses, and require the production of documents for an investigation; requiring the Governor to appropriate in the State budget to the Division of Financial Regulation funding for the positions necessary to implement the Act; etc.
EFFECTIVE JUNE 1, 2000
Delegate McIntosh, et al
- HB 736 **Fiduciary Institutions -- Customer Financial Records -- Allowable Disclosures**
Allowing a fiduciary institution or its officers, employees, agents, or directors to disclose a customer's financial records and other information if exploitation is suspected and a report of suspected exploitation is filed with an adult protective services program; providing that a report filed under the Act shall be deemed to protect against and prevent actual or potential fraud, unauthorized transactions, or other liability; etc.
Delegate McIntosh, et al
- HB 851 **Corporations and Real Estate Investment Trusts -- Miscellaneous Provisions**
Altering the manner in which certificates of correction may be executed; providing that specified officers of specified entities may execute specified documents; providing that articles of incorporation may include a specified provision; providing that provisions of the bylaws of a corporation or a real estate investment trust may be made dependent on facts ascertainable outside the bylaws; providing that the term "future director" may be defined in a stockholder rights plan; etc.
EFFECTIVE JUNE 1, 2000
Delegate Barve
- HB 1203 **Mortgage Lenders -- Continuing Education Requirements**
Providing that specified continuing education requirements established by the Commissioner of Financial Regulation shall apply to the first renewal of a license of a mortgage lender licensed under the Maryland

Mortgage Lender Law; and applying the Act.

Delegate Minnick

HB 1337 Credit Regulation -- Mortgage Lending

Clarifying the fees that may be charged by a mortgage broker; prohibiting a mortgage broker from charging a specified finder's fee under specified circumstances; prohibiting a mortgage broker from receiving any fee in the form of a note, mortgage, or other evidence of indebtedness; prohibiting a finder's fee from being charged unless it is pursuant to a specified written agreement between the mortgage broker and the borrower; requiring that a copy of the agreement be provided to the borrower within a specified time period; etc.

Delegate Krysiak, et al

Part J

Health

- SB 6 Cigarette Sales in Packages of Less Than 20 Cigarettes**
Prohibiting retailers or vending machine operators from purchasing from tobacco product manufacturers and selling, dispensing, distributing, or giving away cigarettes in packages of less than 20 cigarettes per package; prohibiting wholesalers from selling, reselling, distributing, dispensing, or giving away cigarettes in packages of less than 20 cigarettes per package; authorizing the State Comptroller to enforce the provisions of the Act; etc.
Senator Green, et al
- SB 52 Health Insurance -- Dental Plan Organizations**
Requiring dental plan organizations to meet specified capital and surplus requirements; requiring organizations to deposit a specified amount of security with the Maryland Insurance Commissioner or an acceptable organization or trustee; specifying the purpose of the deposit; authorizing the Commissioner to reduce or eliminate the deposit requirement under specified circumstances; authorizing the Commissioner to impose specified penalties against organizations under specified circumstances; etc.
Chairman FIN (Dept)
- SB 53 Maryland Health Insurance Portability and Accountability Act -- Market Reforms**
Establishing market reforms consistent with the provisions of the federal Health Insurance Portability and Accountability Act; repealing the provision allowing health benefit plans that do not use a preexisting condition to impose a waiting period or surcharge on enrollees; requiring small employers to provide a special enrollment period; etc.
EFFECTIVE JULY 1, 2000
Chairman FIN (Dept)
- SB 60 Health Insurance -- Risk Based Capital Standards for Insurers and Managed Care Organizations**
Requiring specified insurers to meet specified risk based capital standards; requiring the Insurance Commissioner to take action against health insurers under specified circumstances; requiring the Commissioner, in consultation with the Secretary of Health and Mental Hygiene, to adopt regulations that apply risk based capital standards to specified managed care organizations no later than July 1, 2001; etc.
EFFECTIVE JULY 1, 2000
Chairman FIN (Dept)
- SB 100 Patient Care Advisory Committees -- Consultation and Evidentiary Use of Advice**
Requiring a patient care advisory committee to consult with a medical professional familiar with pediatric end--of--life care under specified circumstances.
Senator Hollinger
- SB 111 Patient Referrals by Health Care Practitioners -- Prohibition -- Exemptions**
Excluding payments made for the rental or lease of equipment, or for the sale of property or of a health care practice, from the definition of compensation arrangement for purposes of specified prohibitions and disclosure requirements relating to patient referrals; and exempting from a specified prohibition against patient referrals a health care practitioner who refers a patient to a hospital in which the practitioner has a beneficial interest if the practitioner meets specified requirements.
EFFECTIVE JULY 1, 2000
Senator Hafer, et al

- SB 146 **Continuing Care Communities -- Certificate of Need Exemption -- Direct Admission**
Altering the definition of a health care facility to allow a subscriber who has executed a continuing care agreement and paid specified entrance fees before entering the continuing care community to be admitted to a comprehensive care nursing bed, regardless of the level of care needed by the subscriber at the time of admission; providing specified limitations on direct admissions to comprehensive case nursing beds; etc.
EFFECTIVE JULY 1, 2000
Senator Bromwell
- SB 147 **State Board of Dental Examiners**
Clarifying that the provisions of Chapter 38 of the Laws of Maryland of 1999 relating to the waiver of education qualifications for a limited license to practice dentistry may be applied to general licensee applicants who fulfill existing requirements provided in law and meet specified conditions.
EFFECTIVE JULY 1, 2000
Senator Dorman
- SB 164 **Health Insurance -- Internal Appeal and Grievance Processes**
Requiring insurance carriers to document an adverse decision and to provide written notice of the decision to the member and the member's health care provider which includes information on the factual basis for the decision and references the specific criteria and standards; requiring carriers to establish an internal appeal process for use by its members and health care providers for disputes relating to coverage decisions and providing that carriers can comply with the requirement in a specified manner; etc.
VARIOUS EFFECTIVE DATES
Chairman FIN (Dept)
- SB 189 **Maryland Health Care Commission -- Modifications and Clarifications**
Repealing the authority of the Maryland Health Care Commission to develop a payment system for health care services; altering specified provisions relating to publication of specified information related to reimbursements from payors; authorizing the Commission to promote the availability of information related to charges by practitioners and reimbursements from payors; authorizing the Commission to impose specified requirements on payors; etc.
EFFECTIVE JULY 1, 2000
Chairman FIN (Dept)
- SB 190 **Health Insurance -- Private Review Agents**
Requiring specified entities to conduct utilization review in a specified manner; requiring private review agents to comply with specified provisions; requiring a specified private review agent to relinquish the private review agent's certificate of registration under specified circumstances; altering specified provisions of the Act; altering specified penalties; etc.
EFFECTIVE JANUARY 1, 2001
Chairman FIN (Dept)
- SB 251 **Morticians -- State Board of Morticians -- Membership**
Prohibiting the State Board of Morticians from having more than one member who is employed by or affiliated with the same corporation, professional association, or other entity that owns, directly or through a subsidiary, one or more funeral homes.
Senator Hollinger
- SB 271 **Tobacco Products -- Vending Machines -- Access by Minors**
Prohibiting the sale or dispensing of a tobacco product by means of a vending machine; establishing exceptions; establishing a penalty; repealing an exemption from specified penalties for sales of tobacco

products to minors for owners of and other persons exercising control over tobacco product vending machines; defining specified terms; etc.

CONTINGENT -- EFF. JAN. 1, 2001

Senator Ruben, et al

SB 274 Health Insurance -- Retroactive Denial of Reimbursement to Health Care Providers

Clarifying that a carrier may retroactively deny reimbursement to a health care provider or attempt to retroactively collect reimbursement already paid to a health care provider only during a specified period under specified circumstances; providing that provisions of law related to the retroactive denial of reimbursement to a provider do not apply to adjustments to reimbursements made as part of an annual contracted reconciliation of a risk sharing arrangement under an administrative service provider contract; etc.

Senator Dorman

SB 275 Health Insurance -- Preauthorized Health Care Services -- Denials of Reimbursement by Carriers

Prohibiting specified health insurance carriers from denying reimbursement to a health care provider for a preauthorized or approved services delivered to a patient if a health care service has been preauthorized or approved for the patient; providing specified exceptions; etc.

EFFECTIVE JUNE 1, 2000

Senator Dorman

SB 287 State Board of Spinal Cord Injury Research

Establishing a State Board of Spinal Cord Injury Research in the Department of Health and Mental Hygiene; specifying the duties of the Board, including the administration of a specified grant program and fund; providing specified powers and duties of the Secretary of Health and Mental Hygiene; establishing the Spinal Cord Injury Research Trust Fund; providing for the distribution of specified insurance premium tax revenue to the Fund; etc.

Senator Hollinger, et al

SB 295 Health Insurance -- Requirements for Providers to Serve on Provider Panels

Prohibiting a carrier that offers coverage for health care services through health benefit plans, or contracts with providers to offer health care services through provider panels, from requiring a provider, as a condition of participation or continuation on a provider panel, to serve on another provider panel under specified circumstances; etc.

Senator Roesser, et al

SB 311 Statewide Commission on the Crisis in Nursing

Creating the Statewide Commission on the Crisis in Nursing to convene a summit on the crisis in nursing and to determine the current extent and long--term implications of the growing nursing personnel shortage in the State; etc.

EMERGENCY BILL

Senator Hollinger

SB 312 Adult Dependent Care Programs -- State Criminal History Records Checks and Private Agency Background Checks

Requiring a private agency, if an adult dependent care program requests a background check, to conduct a check in specified states under specified circumstances; requiring a private agency and an adult dependent care program to issue a statement of findings under specified circumstances; requiring the Department of Public Safety and Correctional Services to provide a specified statement to specified persons; etc.

Senator Middleton

SB 328 Health Care Credentialing Study

Requiring a study on credentialing of health care professionals by a specified institution; requiring a report to the Governor and the General Assembly within 60 days of completion of the study, including findings and recommendation; etc.

EFFECTIVE JUNE 1, 2000

Senator Lawlah, et al

SB 359 Medical Assistance -- Program Recipients -- Continuity of Care

Requiring the Department of Health and Mental Hygiene to establish specified mechanisms for identifying the primary care provider of a recipient of medical assistance and maintaining continuity of care with that provider; requiring a managed care organization, under specified circumstances, to assign a recipient of medical assistance to a particular primary care provider and to honor a request to change primary care providers; allowing a recipient to disenroll from a managed care organization under specified circumstances; etc.

Senator Exum, et al

SB 371 Medical Records -- Confidentiality

Prohibiting the disclosure by sale, rental, or barter of medical records; exempting from the prohibition medical records that relate to the transfer of ownership of a health care practice or facility; requiring payors that accept claims from medical care electronic claims clearinghouses to accept only claims from accredited or certified medical care electronic claims clearinghouses; establishing the State Advisory Council on Medical Privacy and Confidentiality to examine confidentiality issues; etc.

EFFECTIVE JULY 1, 2000

Senator Hollinger, et al

SB 375 Occupational Therapy -- Scope of Practice

Altering the scope of practice for occupational therapy professionals; removing limitations on practices carried out by orthotists or prosthetists; providing for the annual election of one or more chairpersons to the Board; requiring the appointment of a Board Executive Director; authorizing the Board to employ specified staff and experts; authorizing the Board to adopt regulations in consultation with the State Boards of Physical Therapy and Chiropractic Examiners, respectively; etc.

Senators Harris and Hollinger

SB 386 Health Benefit Plans -- Coverage for Hair Prostheses for Hair Loss Resulting from Chemotherapy or Radiation Treatment for Cancer

Requiring insurers and nonprofit health service plans that provide inpatient hospital, medical, or surgical benefits to individuals or groups on an expense--incurred basis under health insurance policies or contracts that are issued or delivered in the State to provide, for an enrollee or insured whose hair loss results from chemotherapy or radiation treatment for cancer, coverage for one hair prosthesis; etc.

Senators Collins and Bromwell

SB 395 Medical Assistance -- Expedited Eligibility

Clarifying the application of expedited eligibility for any individual who applies for the Children and Families Health Care Program; etc.

Senator Kelley, et al

SB 403 Continuing Care Communities -- Certificate of Need Exemption -- Comprehensive Care Nursing Beds

Altering the number of comprehensive care nursing beds a continuing care community may maintain to qualify for an exemption from a certificate of need; and requiring a specified report by the Department of Health and Mental Hygiene on or before January 1, 2002.

Senators Kasemeyer and Kelley

- SB 405 **Health Maintenance Organizations -- Reimbursement of Non--Contracting Providers**
Altering the reimbursement that a health maintenance organization (HMO) must pay a non--contracting health care provider for specified services delivered to an enrollee or subscriber; requiring an HMO to reimburse a non--contracting health care provider at a specified rate; requiring an HMO to disclose a specified reimbursement rate on request of a specified health care provider; etc.
CONTINGENT
Senator Astle
- SB 423 **Hospital Bonds -- Maryland Hospital Bond Program -- Study**
Requiring the Maryland Health and Higher Education Facilities Authority and the Health Services Cost Review Commission to conduct a study of the Maryland Hospital Bond Program and report any findings and recommendations to the General Assembly on or before December 31, 2000.
Senator Bromwell
- SB 455 **Health Insurance -- Notice of Health Care Providers on Carrier's Provider Panel**
Requiring a carrier to make specified information about health care providers available to enrollees and prospective enrollees in a specified manner; altering the timing of when the information must be made available and must be updated; etc.
Senator Teitelbaum, et al
- SB 459 **Maternal Mortality Review Program**
Establishing a Maternal Mortality Review Program to review specified maternal deaths and develop specified strategies for the prevention of the deaths; authorizing the Secretary of Health and Mental Hygiene to contract and consult with the State Medical and Chirurgical Faculty; authorizing the Secretary to provide specified vital records regarding specified maternal deaths; requiring specified health care providers and facilities to report maternal deaths to the Maternal Mortality Review Program; etc.
Senator Hollinger, et al
- SB 497 **Health Maintenance Organizations -- Responsibility for and Regulation of Downstream Risk**
Requiring health maintenance organizations and specified other entities that enter into administrative service provider contracts to meet specified requirements; clarifying the responsibility of specified health maintenance organizations for specified claims and payments for health care services under an administrative service provider contract; etc.
EFFECTIVE JUNE 1, 2000
Senators Bromwell and Miller
- SB 516 **Health Insurance -- Coverage for In Vitro Fertilization**
Prohibiting specified insurers, nonprofit health service plans, and health maintenance organizations from excluding benefits for in vitro fertilization under specified circumstances; authorizing insurers, nonprofit health service plans, and health maintenance organizations to limit coverage of benefits required under the Act to three in vitro fertilization attempts per live birth, not to exceed a maximum lifetime benefit of \$100,000; etc.
Senators Pinsky and Sfikas
- SB 553 **Health Care Workers' Safety Act -- Bloodborne Pathogen Standard**
Requiring the Commissioner of Labor and Industry in consultation with the Secretary of Health and Mental Hygiene to adopt regulations that implement the Bloodborne Pathogen Standard as established by the federal Occupational Safety and Health Administration; requiring the Commissioner to submit a specified notice and make recommendations to the General Assembly; etc.

Senators Hollinger and Harris

SB 554 Disease Prevention -- Reporting Hepatitis C

Requiring the director of a medical laboratory to submit a report to a local health officer if specified evidence indicates the presence of viral hepatitis type C in an individual.

EFFECTIVE JULY 1, 2001

Senator Hollinger, et al

SB 567 Health Insurance -- Access to Obstetric and Gynecological Services

Requiring insurers, nonprofit health service plans, and health maintenance organizations to allow a woman to have direct access to obstetric and gynecological services from a certified nurse midwife or specified other providers; requiring a certified nurse midwife and specified other health care providers to consult with a specified obstetrician/gynecologist in accordance with a collaborative agreement regarding the delivery of specified health care; etc.

Senator Exum, et al

SB 572 State Board of Physical Therapy Examiners -- Sunset Extension

Continuing the State Board of Physical Therapy Examiners in accordance with the provisions of the Maryland Program Evaluation Act (Sunset Law) by extending to July 1, 2012, the termination provisions relating to the statutory and regulatory authority of the Board.

The President (Department of Legislative Services)

SB 573 State Board of Chiropractic Examiners -- Sunset Extension

Continuing the State Board of Chiropractic Examiners in accordance with the provisions of the Maryland Program Evaluation Act (Sunset Law) by extending to July 1, 2012, the termination provisions relating to the statutory and regulatory authority of the Board; and generally relating to the State Board of Chiropractic Examiners.

The President (Department of Legislative Services)

SB 574 State Board of Podiatric Medical Examiners -- Sunset Extension

Continuing the State Board of Podiatric Medical Examiners in accordance with the provisions of the Maryland Program Evaluation Act (Sunset Law) by extending to July 1, 2012, the termination provisions relating to the statutory and regulatory authority of the Board.

The President (Department of Legislative Services)

SB 575 State Collection Agency Licensing Board -- Sunset Extension

Continuing the State Collection Agency Licensing Board in accordance with the provisions of the Maryland Program Evaluation Act (Sunset Law) by extending to July 1, 2012, the termination provisions relating to the statutory and regulatory authority of the Board.

The President (Department of Legislative Services)

SB 621 Maryland Pharmacy Assistance Program -- Coverage Programs

Requiring the Secretary of Health and Mental Hygiene to develop a program to provide information to applicants to the Maryland Pharmacy Assistance Program to seek specified prescription coverage; requiring the Secretary, together with the Maryland Health Care Commission, specified persons, and other appropriate State agencies, to study and report on the possibility of a specified pharmacy assistance plan; etc.

EFFECTIVE JULY 1, 2000

Senator Sfikas

SB 653 Institutions of Higher Education -- Students -- Vaccination for Meningococcal Disease

Requiring students enrolled in institutions of higher education living in on--campus student housing to receive a vaccination for meningococcal disease or sign a specified waiver; requiring the parent or guardian of the student to sign the waiver if the student is a minor; requiring the Secretary of Health and Mental Hygiene, in consultation with the Maryland Higher Education Commission, to adopt regulations to implement these requirements; etc.

EFFECTIVE JUNE 1, 2000

Senator Collins

SB 684 Health -- General -- Advance Directives

Requiring documentation of the substance of oral advance directives; requiring documentation when accepting oral revocations of advance directives; etc.

Senator Harris

SB 688 Nursing Homes -- Quality of Care -- Inspections

Requiring the Office of Health Care Quality in the Department of Health and Mental Hygiene to make a site visit and a full survey of each licensed nursing home at least two times per year; exempting specified nursing homes from specified site visits and surveys under specified circumstances; and requiring all surveys to be unannounced.

Senator Collins, et al (Task Force on Quality of Care in Nursing Homes)

SB 689 Nursing Homes -- Sanctions and Penalties

Authorizing the Secretary of Health and Mental Hygiene to impose specified sanctions for specified deficiencies found in nursing homes; establishing the burden of proof in the imposition of fines; establishing specified monetary penalties for specified deficiencies; repealing specified provisions of law relating to notice requirements and appeals; authorizing the Department of Health and Mental Hygiene to appoint an independent monitor for specified purposes; establishing a Health Care Quality Account; etc.

EMERGENCY BILL

Senator Collins, et al (Task Force on Quality of Care in Nursing Homes)

SB 690 Nursing Homes -- Quality Assurance

Requiring a nursing home, by January 1, 2001, to establish and implement a quality assurance program that meets specified requirements and is approved by the Department of Health and Mental Hygiene; requiring a nursing home, by September 1, 2000, to designate a qualified individual to coordinate and manage the program; requiring a nursing home to establish a Quality Assurance Committee that must follow specified guidelines; requiring the designation of a medical director; etc.

Senator Hollinger, et al (Task Force on Quality of Care in Nursing Homes)

SB 691 Dentistry -- Licensure of Retired Volunteer Dentists and Dental Hygienists

Establishing a license for a retired volunteer dentist to practice dentistry in the State; establishing a license for a retired volunteer dental hygienist to practice dental hygiene in the State; providing for the qualifications and application procedures; and providing for specified limitations on the authority to practice dentistry or dental hygiene with a retired volunteer dentist's or dental hygienist's license.

Senators Hollinger and Lawlah

SB 693 Maryland Social Workers Act -- Revision

Altering the membership of and method of appointing the State Board of Social Work Examiners; altering the term of the chairman and secretary of the Board; requiring the Board to appoint an executive director; requiring individuals to hold specified licenses before practicing social work or clinical social work in the State; altering specified exemptions from licensing; altering qualification, education, training, and experience requirements that applicants must meet to obtain social work licenses; etc.

Senator Hollinger

SB 698 Nursing Homes -- Quality of Care Oversight

Establishing an Oversight Committee on Quality of Care in Nursing Homes; requiring the Office of Health Care Quality of the Department of Health and Mental Hygiene to report to the Oversight Committee twice annually; requiring the Deputy Secretary of Health Care Financing to report annually to the Oversight Committee; requiring the Oversight Committee to submit an annual report to the Governor and General Assembly; etc.

Senator Teitelbaum, et al (Task Force on Quality of Care in Nursing Homes)

SB 743 Substance Abuse Treatment Outcomes Partnership -- S.T.O.P. Fund

Creating a Substance Abuse Treatment Outcomes Partnership Fund to finance proposals for drug treatment from participating local jurisdictions; specifying that the jurisdictions are responsible for a proportion of costs, with specified exceptions; prohibiting participating counties from supplanting existing levels of spending on drug treatment programs with Partnership funds; etc.

Senator Neall, et al

SB 764 Long--Term Care Ombudsman Program -- Staffing Ratios

Requiring the Secretary of Aging to establish and budget for specified staffing ratios for the Maryland Long--Term Care Ombudsman Program; etc.

Senator Teitelbaum, et al (Task Force on Quality of Care in Nursing Homes)

SB 791 Oral Health Programs -- Reducing Oral Cancer Mortality

Requiring the Secretary of Health and Mental Hygiene to establish the Oral Health Program to prevent and detect oral cancer in the State; providing for the program to target the needs of high--risk underserved populations; requiring the Secretary, in consultation with specified providers, to develop and implement programs to train health care providers to screen and refer patients with oral cancers and to promote smoking cessation programs; etc.

EFFECTIVE JULY 1, 2000

Senator Lawlah, et al

SB 794 Nursing Homes -- Staffing

Stating the intent of the General Assembly that the Governor provide in the State budget for fiscal years 2002 and 2003 additional funds for nursing home services; specifying how nursing homes are allowed to use the additional funds; providing that nursing home expenditures are subject to audit and cost settlement by the Department of Health and Mental Hygiene; requiring the Department to reconvene the Medicaid Nursing Home Reimbursement Study Group; etc.

Senator Hollinger, et al (Task Force on Quality of Care in Nursing Homes)

SB 798 Private Review Agents -- Market Conduct Examinations

Requiring private review agents to undergo market conduct examinations; requiring private review agents to pay for the expense of market conduct examinations; and requiring examinations of health maintenance organizations to be conducted in the same manner as examinations of insurers and nonprofit health service plans.

EMERGENCY BILL

Senator Bromwell

SB 800 Health Insurance -- Uniform Claims Forms

Consolidating provisions relating to acceptance of uniform claims forms for reimbursement by insurers, nonprofit health service plans, and health maintenance organizations; requiring the Insurance Commissioner to adopt regulations relating to uniform claims forms for reimbursement of hospitals and health care practitioners by insurers, nonprofit health service plans, and health maintenance organizations; specifying

the contents of the regulations; requiring uniform claims forms to be properly completed in accordance with regulations; etc.

EFFECTIVE JUNE 1, 2000

Senator Bromwell

SB 801 Health Insurance -- Small Group Market -- Eligibility Requirements

Altering criteria for determining when a person is considered a small employer for purposes of small group market health insurance; altering criteria for determining when an employee is considered to be an eligible employee; altering minimum participation requirements; requiring the Maryland Health Care Commission to submit a report to the House Economic Matters and the Senate Finance Committees on the effect of group size in the small group insurance market on specified delivery systems of each prominent carrier in the market; etc.

EFFECTIVE JUNE 1, 2000

Senator Bromwell, et al

SB 802 Governor's Wellmobile Program

Establishing the Governor's Wellmobile Program to provide primary and preventive health care services to specified populations and communities; providing for the funding of the Program; providing that the Program shall be operated, managed, and administered by the University of Maryland School of Nursing; establishing the Governor's Wellmobile Program Advisory Board; requiring the School of Nursing and the Board to submit an annual report to the Governor and the General Assembly; etc.

Senator Dorman

SB 855 Senior Assistance -- Short--Term Prescription Drug Subsidy Plan

Establishing a prescription drug plan for specified Medicare Plus Choice--eligible individuals residing in medically underserved counties or portions of counties; requiring a carrier to provide the plan as a condition of receiving a specified hospital rate differential; creating a Short--Term Prescription Drug Subsidy Plan Fund; requiring that the Secretary of Health and Mental Hygiene adopt specified regulations and issue a report jointly with the Maryland Insurance Administration and the Health Services Cost Review Commission; etc.

EFFECTIVE JULY 1, 2000

Senator Dyson, et al

SB 863 Maryland Health Programs Expansion Act of 2000

Expanding eligibility for the Children and Families Health Care Program to specified individuals under a private option plan; requiring that specified individuals enrolled in the Program receive health benefits through an employer--sponsored health benefit plan or a specified managed care organization; etc.

VARIOUS EFFECTIVE DATES

Senator Miller, et al

SB 864 Alcohol and Drug Treatment to Work Pilot Program

Establishing the Alcohol and Drug Treatment to Work Pilot Program in specified jurisdictions for selected individuals who have completed inpatient alcohol or drug treatment programs to receive specified training or employment; requiring the Alcohol and Drug Abuse Administration to adopt regulations regarding the selection of participants and the administration of the pilot program; limiting the number of participants that are required; describing specified employment and training for which participants are eligible; etc.

Senator Bromwell

SB 883 Health Insurance -- Task Force to Study the Non--Group Health Insurance Market -- Repeal

Repealing the Task Force to Study the Non--Group Health Insurance Market.

EFFECTIVE JUNE 1, 2000

Senator Dorman

- SB 896 **Cigarette Restitution Fund -- Tobacco Use Prevention and Cessation Program -- Cancer Prevention, Education, Screening, and Treatment Pgm**
Establishing a Tobacco Use Prevention and Cessation Program and a Cancer Prevention, Education, Screening, and Treatment Program in the Department of Health and Mental Hygiene; providing that the programs shall be funded as provided in the State budget with money from the Cigarette Restitution Fund; authorizing the Legislative Auditor to audit the appropriations and expenditures made for purposes of the programs; etc.
EFFECTIVE JULY 1, 2000
Senator Van Hollen, et al
- SB 903 **Contracts Between Health Maintenance Organizations and Subscribers or Groups of Subscribers -- Subrogation Provisions**
Authorizing contracts between a health maintenance organization (HMO) and a subscriber or a group of subscribers to contain provisions allowing the HMO to be subrogated to a cause of action that a subscriber has against another person under specified circumstances; requiring an HMO that includes a subrogation provision in its contract to use in its rating methodology an adjustment reflecting the subrogation and identify in its rate filing all amounts recovered through subrogation; etc.
EFFECTIVE JUNE 1, 2000
Senators Miller and Bromwell
- HB 2 **Maryland Health Programs Expansion Act of 2000**
Expanding eligibility for the Children and Families Health Care Program to children under a private option plan; requiring that individuals enrolled in the Program receive health benefits through an employer--sponsored health benefit plan or a managed care organization; establishing criteria for approval of an employer--sponsored health benefit plan; altering the income threshold for pregnant women to receive comprehensive medical and other health care services; etc.
VARIOUS EFFECTIVE DATES
Delegate Taylor, et al
- HB 5 **Health Maintenance Organizations -- Responsibility for and Regulation of Downstream Risk**
Requiring health maintenance organizations (HMOs) and specified other entities that enter into administrative service provider contracts to meet specified requirements; clarifying the responsibility of HMOs for specified claims and payments for health care services under an administrative service provider contract; specifying requirements concerning administrative service provider contracts that apply to managed care organizations under the Maryland Medical Assistance Program; etc.
EFFECTIVE JULY 1, 2000
Delegate Taylor, et al
- HB 6 **Health Insurance -- Coverage of Habilitative Services for Children**
Requiring insurers and nonprofit health service plans that provide hospital, medical, or surgical benefits to individuals or groups on an expense--incurred basis and health maintenance organizations that provide benefits to individuals or groups under policies or contracts issued or delivered in the State to provide coverage of habilitative services for children under the age of 19 years under specified circumstances; etc.
Delegate Hurson, et al
- HB 22 **Health Benefit Plans -- Coverage for Hair Prostheses for Hair Loss Resulting from Chemotherapy or Radiation Treatment for Cancer**
Requiring specified insurers, nonprofit health service plans, and health maintenance organizations to provide coverage for a hair prosthesis under specified circumstances; limiting the cost of a hair prosthesis for an

enrollee or insured whose hair loss results from chemotherapy or radiation treatment for cancer to \$350; requiring that the hair prosthesis must be prescribed by the oncologist in attendance; etc.

Delegate Conroy, et al

- HB 59 **Health Insurance -- Adverse Decisions and Grievance Decisions -- Notification Requirements**
Requiring insurance carriers to include additional information in a notice of an adverse decision or grievance decision that is sent to a member; eliminating a requirement that an insurer provide specified notification to a member within 2 days after the member contacts the insurer regarding an adverse decision; altering the information that insurance carriers must include in specified policies, plans, certificates, enrollment materials, or other evidences of coverage; etc.
Delegate Dembrow
- HB 91 **Maryland Health Insurance Portability and Accountability Act -- Market Reforms**
Establishing market reforms consistent with the provisions of the federal Health Insurance Portability and Accountability Act; repealing the provision allowing health benefit plans that do not use a preexisting condition to impose a waiting period or surcharge on enrollees; requiring small employers to provide a special enrollment period; etc.
EFFECTIVE JULY 1, 2000
Chairman ECM (Dept)
- HB 92 **Health Insurance -- Risk Based Capital Standards for Insurers and Managed Care Organizations**
Requiring specified insurers to meet specified risk based capital requirements; requiring the Insurance Commissioner to take action against specified insurers under specified circumstances; requiring the Commissioner, in consultation with the Secretary of Health and Mental Hygiene, to adopt regulations that apply risk based capital standards to specified managed care organizations no later than July 1, 2001; etc.
EFFECTIVE JULY 1, 2000
Chairman ECM (Dept)
- HB 99 **Health Insurance -- Dental Plan Organizations**
Requiring dental plan organizations to meet specified capital and surplus requirements; requiring organizations to deposit a specified amount of security with the Maryland Insurance Commissioner or an acceptable organization or trustee; specifying the purpose of the deposit; authorizing the Commissioner to reduce or eliminate the deposit requirement under specified circumstances; authorizing the Commissioner to impose specified penalties against organizations under specified circumstances; etc.
Chairman ECM (Dept)
- HB 108 **Patient Care Advisory Committees -- Consultation and Evidentiary Use of Advice**
Requiring a patient care advisory committee to consult with a medical professional familiar with pediatric end--of--life care under specified circumstances.
Delegate Morhaim
- HB 135 **Health -- Sale or Possession of Methyl Methacrylate Liquid Monomer -- Prohibition**
Prohibiting the sale of methyl methacrylate liquid monomer by a person to a beauty salon; and providing that a person that is found guilty of violating the Act is subject to a fine not exceeding \$1,000 for each violation.
Delegates Owings and Stern
- HB 138 **Maryland Health Care Commission -- Modifications and Clarifications**
Repealing the authority of the Maryland Health Care Commission to develop a payment system for health care services; altering specified provisions relating to publication of specified information related to reimbursements from payors; authorizing the Commission to promote the availability of information related

to charges by practitioners and reimbursements from payors; authorizing the Commission to impose specified requirements on payors; etc.

EFFECTIVE JULY 1, 2000

Chairman ENV (Dept)

HB 161 Health Occupations -- State Board of Physician Quality Assurance -- Examination and Licensure Requirements

Repealing the requirement that the State Board of Physician Quality Assurance give examinations to applicants at specified times and places; altering the provision relating to an applicant being entitled to sit for a specified examination; repealing the requirement that the Board waive the examination requirements for specified applicants; etc.

Chairman ENV (Dept)

HB 214 Patient Referrals by Health Care Practitioners -- Prohibition -- Exemptions

Excluding payments made for the rental or lease of equipment, or for the sale of property or of a health care practice, from the definition of "compensation arrangement" for purposes of specified prohibitions and disclosure requirements relating to patient referrals; and exempting from a specified prohibition against patient referrals a health care practitioner who refers a patient to a hospital in which the practitioner has a beneficial interest if the practitioner meets specified requirements.

EFFECTIVE JULY 1, 2000

Delegate Guns, et al

HB 227 Institutions of Higher Education -- Students -- Vaccination for Meningococcal Disease

Requiring students enrolled in institutions of higher education living in on-campus student housing to receive a vaccination for meningococcal disease or sign a specified waiver; requiring the parent or guardian of the student to sign the waiver if the student is a minor; requiring the Secretary of Health and Mental Hygiene, in consultation with the Maryland Higher Education Commission, to adopt regulations to implement these requirements; etc.

EFFECTIVE JUNE 1, 2000

Delegate Rosso, et al

HB 259 Morticians -- State Board of Morticians -- Membership

Prohibiting the State Board of Morticians from having more than one member who is employed by or affiliated with the same corporation, professional association, or other entity that owns, directly or through a subsidiary, one or more funeral homes.

Delegate Hammen

HB 300 State Board of Spinal Cord Injury Research

Establishing a State Board of Spinal Cord Injury Research in the Department of Health and Mental Hygiene; specifying the duties of the Board, including the administration of a specified grant program and fund; specifying powers and duties of the Secretary of Health and Mental Hygiene; providing that specified members of the Board may not vote on specified matters; establishing a Spinal Cord Research Trust Fund; etc.

Delegate Hixson, et al

HB 304 Health Insurance -- Preauthorized Health Care Services -- Denials of Reimbursement by Carriers

Prohibiting specified health insurance carriers from denying reimbursement to a health care provider for preauthorized or approved services delivered to a patient if a health care service has been preauthorized or approved for the patient; providing specified exceptions; providing that a carrier must pay a claim for a preauthorized or approved covered health service in accordance with specified provisions of law; etc.

EFFECTIVE JUNE 1, 2000

Delegate Donoghue

- HB 305 **Health Insurance -- Retroactive Denial of Reimbursement to Health Care Providers**
Clarifying that a carrier may retroactively deny reimbursement to a health care provider or attempt in any manner to retroactively collect reimbursement already paid to a health care provider only during a specified period of time under specified circumstances; etc.
Delegate Donoghue
- HB 313 **Children's Environmental Health and Protection Advisory Council**
Establishing a Children's Environmental Health and Protection Advisory Council; establishing the membership of the Council; specifying the terms of the members of the Council; providing for staffing of the Council; specifying the purpose of the Act; specifying the duties of the Council; requiring specified units of State government to submit specified information to the Council before submitting a proposed regulation for publication in the Maryland Register; etc.
Delegate Hubbard, et al
- HB 314 **Health Occupations -- Renaming the State Board of Examiners of Professional Counselors**
Renaming the State Board of Examiners of Professional Counselors to the State Board of Professional Counselors and Therapists; renaming the State Board of Examiners of Professional Counselors Fund to the State Board of Professional Counselors and Therapists Fund; etc.
Delegate Hubbard
- HB 316 **Health Insurance Carriers -- Standing Referral to Obstetrician for Pregnancy**
Requiring health insurance carriers to provide members who are pregnant with a standing referral to an obstetrician; providing that the obstetrician is responsible for the primary management of the member's pregnancy through the postpartum period; and providing that a written treatment plan may not be required when a standing referral is to an obstetrician.
Delegate Krysiak, et al
- HB 350 **Health Insurance -- Coverage for In Vitro Fertilization**
Prohibiting specified insurers, nonprofit health service plans, and health maintenance organizations from excluding specified benefits for in vitro fertilization under specified circumstances; providing that, to be eligible for in vitro fertilization health insurance benefits, the patient and the patient's spouse have a history of infertility of at least 2 years' duration or the infertility is associated with abnormal male factors contributing to the infertility; requiring that the benefits be provided to specified extents; etc.
Delegate Clagett, et al
- HB 355 **Board of Physical Therapy Examiners -- Changes in the Physical Therapy Practice Act**
Amending the Physical Therapy Practice Act to allow the Board of Physical Therapy Examiners to disclose specified information to other regulatory boards or a law enforcement or prosecutorial authority; requiring the Board to ensure, to the extent possible, that specified names are kept confidential when specified information is disclosed under the Act; allowing the Board to grant a specified waiver and to reinstate a license under specified circumstances; requiring an individual to return a suspended or revoked license to the Board; etc.
Delegate Nathan--Pulliam, et al
- HB 360 **Health Care Workers' Safety Act -- Bloodborne Pathogen Standard**
Requiring the Commissioner of Labor and Industry in consultation with the Secretary of Health and Mental Hygiene to adopt regulations that implement the Bloodborne Pathogen Standard as established by the federal Occupational Safety and Health Administration; requiring the Commissioner to submit a specified notice and make recommendations to the General Assembly; etc.

Delegate Morhaim, et al

HB 363 Statewide Commission on the Crisis in Nursing

Creating the Statewide Commission on the Crisis in Nursing to convene a summit on the crisis in nursing and to determine the current extent and long--term implications of the growing nursing personnel shortage in the State; etc.

EMERGENCY BILL

Delegate Mandel, et al

HB 369 Alcohol and Drug Abuse Administration -- Substance Abuse Program -- Repeal

Repealing the requirement for the Alcohol and Drug Abuse Administration to find a location for a specified substance abuse program.

Delegates McHale and Cole

HB 405 Health Insurance -- Internal Appeal and Grievance Processes

Requiring insurance carriers to document an adverse decision and to provide written notice of an adverse decision that includes the factual basis for the decision and references specified criteria and standards to specified persons; requiring carriers to establish an internal appeal process for use by their members and health care providers for disputes relating to coverage decisions and providing that carriers can comply with this requirement in a specified manner; requiring carriers to meet the burden of persuasion as specified; etc.

VARIOUS EFFECTIVE DATES

Chairman ECM (Dept)

HB 412 Health Insurance -- Private Review Agents

Requiring specified entities to conduct utilization review in a specified manner; requiring private review agents to comply with specified provisions; requiring specified private review agents to relinquish the private review agent's certificate of registration under specified circumstances; altering specified provisions of the Act; altering specified penalties; etc.

EFFECTIVE JANUARY 1, 2001

Chairman ECM (Dept)

HB 432 Maryland Health Care Commission and Health Services Cost Review Commission -- Use of Assessed Fees -- Direct Costs

Clarifying that the fees assessed by the Maryland Health Care Commission on hospitals, nursing homes, payors, and health care practitioners, and the user fees assessed by the Health Services Cost Review Commission on hospitals, shall be used exclusively to cover the actual documented costs of fulfilling the statutory and regulatory duties of the Maryland Health Care Commission and the Health Services Cost Review Commission; etc.

Delegate Guns

HB 433 Governor's Wellmobile Program

Establishing the Governor's Wellmobile Program to provide primary and preventive health care services to specified populations and communities; providing for the funding of the Program; providing that the Program shall be operated, managed, and administered by the University of Maryland School of Nursing; establishing the Governor's Wellmobile Program Advisory Board; requiring the School of Nursing and the Board to submit an annual report to the Governor and the General Assembly; etc.

Delegate Goldwater, et al

HB 515 Maternal Mortality Review Program

Establishing a Maternal Mortality Review Program to review specified maternal deaths and develop

specified strategies for the prevention of the deaths; authorizing the Secretary of Health and Mental Hygiene to contract and consult with the State Medical and Chirurgical Faculty; authorizing the Secretary to provide specified vital records regarding specified maternal deaths; requiring specified health care providers and facilities to report maternal deaths to the Maternal Mortality Review Program; etc.

Delegate Stern, et al

HB 555 Task Force on Food Allergies and Restaurant Patrons -- Extension of Time to Report Recommendations

Requiring the Task Force on Food Allergies and Restaurant Patrons to report to the General Assembly on or before a specified date; and providing for the termination of the Act.

Delegate Stern

HB 558 Licensure of Physicians -- Qualifications -- Postgraduate Training

Requiring specified applicants for a license to practice medicine to complete 1 year of specified postgraduate medical training; exempting specified foreign medical school graduates from specified educational requirements if the foreign graduates complete 2 years of specified postgraduate medical training; and repealing specified provisions of law that relate to graduates from foreign medical schools.

Delegate Barve

HB 559 Health Insurance -- Requirements for Providers to Serve on Provider Panels

Prohibiting a carrier that offers coverage for health care services through health benefit plans, or contracts with providers to offer health care services through provider panels, from requiring a provider, as a condition of participation or continuation on a provider panel, to serve on another provider panel under specified circumstances; requiring a provider to give notice to a specified carrier of the provider's intention to terminate participation on a provider panel; etc.

Delegate Barve, et al

HB 573 State Board of Podiatric Medical Examiners -- Sunset Extension

Continuing the State Board of Podiatric Medical Examiners in accordance with the provisions of the Maryland Program Evaluation Act (Sunset Law) by extending to July 1, 2012, the termination provisions relating to the statutory and regulatory authority of the Board.

The Speaker (Department of Legislative Services)

HB 574 State Collection Agency Licensing Board -- Sunset Extension

Continuing the State Collection Agency Licensing Board in accordance with the provisions of the Maryland Program Evaluation Act (Sunset Law) by extending to July 1, 2012, the termination provisions relating to the statutory and regulatory authority of the Board.

The Speaker (Department of Legislative Services)

HB 575 State Board of Chiropractic Examiners -- Sunset Extension

Continuing the State Board of Chiropractic Examiners in accordance with the provisions of the Maryland Program Evaluation Act (Sunset Law) by extending to July 1, 2012, the termination provisions relating to the statutory and regulatory authority of the Board; and generally relating to the State Board of Chiropractic Examiners.

The Speaker (Department of Legislative Services)

HB 576 State Board of Physical Therapy Examiners -- Sunset Extension

Continuing the State Board of Physical Therapy Examiners in accordance with the provisions of the Maryland Program Evaluation Act (Sunset Law) by extending to July 1, 2012, the termination provisions relating to the statutory and regulatory authority of the Board.

The Speaker (Department of Legislative Services)

HB 634 Nursing Homes -- Sanctions and Penalties

Authorizing the Secretary of Health and Mental Hygiene to impose specified sanctions for specified deficiencies found in nursing homes; authorizing the Department to appoint an independent nursing home monitor under specified circumstances; establishing the burden of proof for the imposition of fines; establishing specified monetary penalties for specified deficiencies; authorizing the Secretary of Health and Mental Hygiene to utilize specified monetary fines for programs to improve the quality of care; etc.

EMERGENCY BILL

Delegate Boutin, et al

HB 649 Health Insurance -- Small Group Market -- Eligibility Requirements

Altering criteria for determining when a person is considered a small employer for purposes of small group market health insurance; altering criteria for determining when an employee is considered to be an eligible employee; altering minimum participation requirements; requiring the Maryland Health Care Commission to submit a report to the House Economic Matters and the Senate Finance Committees on the effect of group size in the small group insurance market on specified delivery systems of each prominent carrier in the market; etc.

EFFECTIVE JUNE 1, 2000

Delegate Donoghue, et al

HB 669 Health Insurance -- Access to Obstetric and Gynecological Services

Requiring insurers, nonprofit health service plans, and health maintenance organizations to allow a woman to have direct access to obstetric and gynecological services from a certified nurse midwife or other providers; and requiring a certified nurse midwife and specified other health care providers to consult with a specified obstetrician/gynecologist in accordance with a collaborative agreement regarding the delivery of specified health care.

Delegate Goldwater, et al

HB 706 Hospital Bonds -- Maryland Hospital Bond Program -- Study

Requiring the Maryland Health and Higher Education Facilities Authority and the Health Services Cost Review Commission to conduct a study of the Maryland Hospital Bond Program and report any findings and recommendations to the General Assembly on or before December 31, 2000.

Delegate Hurson

HB 747 Nursing Homes -- Quality Assurance

Requiring a nursing home, by January 1, 2001, to establish and implement a quality assurance program that meets specified requirements and is approved by the Department of Health and Mental Hygiene; requiring a nursing home, by September 1, 2000, to designate a qualified individual to coordinate and manage the program; requiring a nursing home to establish a Quality Assurance Committee that must follow specified guidelines; requiring the designation of a medical director; etc.

Delegate Hammen, et al

HB 748 Nursing Homes -- Quality of Care Oversight

Establishing an Oversight Committee on Quality of Care in Nursing Homes; requiring the Office of Health Care Quality of the Department of Health and Mental Hygiene to report to the Oversight Committee twice annually; requiring the Oversight Committee to submit an annual report to the Governor and General Assembly; requiring the Deputy Secretary of Health Care Financing to report annually to the Oversight Committee; etc.

Delegate Hammen, et al

HB 749 Nursing Homes -- Quality of Care -- Inspections

Requiring the Office of Health Care Quality in the Department of Health and Mental Hygiene to make a site visit and a full survey of each licensed nursing home at least two times per year; exempting specified nursing homes from specified site visits and surveys under specified circumstances; and requiring all surveys to be unannounced.

Delegate Hammen, et al

HB 762 Health Insurance -- Uniform Claims Forms

Consolidating provisions relating to acceptance of uniform claims forms for reimbursement by insurers, nonprofit health service plans, and health maintenance organizations; requiring the Insurance Commissioner to adopt regulations relating to uniform claims forms for reimbursement of hospitals and health care practitioners by insurers, nonprofit health service plans, and health maintenance organizations; specifying the contents of the regulations; requiring uniform claims forms to be properly completed in accordance with regulations; etc.

EFFECTIVE JUNE 1, 2000

Delegate Hammen, et al

HB 770 Health Care Providers -- Do Not Resuscitate Orders -- Outpatients

Authorizing specified health care providers to withhold or withdraw treatment in the outpatient setting in accordance with an emergency medical services "do not resuscitate order" under specified circumstances; requiring the Attorney General, in consultation with specified agencies and officials, to conduct specified studies about emergency medical services "do not resuscitate orders"; and requiring the Attorney General to report to the General Assembly on or before a specified date.

Delegate Bobo, et al

HB 784 Nursing Homes -- Staffing

Stating the intent of the General Assembly that the Governor provide in the State budget for fiscal years 2002 and 2003 additional funds for nursing home services; specifying how nursing homes are allowed to use the additional funds; providing that nursing home expenditures are subject to audit and cost settlement by the Department of Health and Mental Hygiene; requiring the Department to reconvene the Medicaid Nursing Home Reimbursement Study Group; etc.

Delegate Nathan--Pulliam, et al

HB 785 Occupational Therapy -- Scope of Practice

Altering the scope of practice for occupational therapy professionals; removing limitations on practices carried out by orthotists or prosthetists; providing for the annual election of one or more chairpersons to the Board of Occupational Therapy Practice; requiring the appointment of an Executive Director to the Board; authorizing the Board to employ specified staff and experts; authorizing the Board to adopt regulations in consultation with the State Boards of Physical Therapy and Chiropractic Examiners, respectively; etc.

Delegate D Davis, et al

HB 845 Disease Prevention -- Reporting Hepatitis C

Requiring the director of a medical laboratory to submit a report to a local health officer if specified evidence indicates the presence of viral hepatitis type C in an individual.

EFFECTIVE JULY 1, 2001

Delegate D Davis

HB 846 Related Institutions -- Immunizations -- Influenza Virus and Pneumococcal Disease

Requiring specified related institutions to immunize residents against the influenza virus and pneumococcal disease and employees against the influenza virus in accordance with specified standards and within specified time frames; requiring specified related institutions to obtain specified consent from specified

individuals prior to administering an immunization; requiring specified related institutions to document specified information; etc.

Delegate Goldwater, et al

HB 864 Continuing Care Communities -- Certificate of Need Exemption -- Comprehensive Care Nursing Beds

Altering the number of comprehensive care nursing beds a continuing care community may maintain to qualify for an exemption from a certificate of need; and requiring a specified report by the Department of Health and Mental Hygiene by a specified date.

Delegate Klausmeier, et al

HB 865 Long--Term Care Ombudsman Program -- Appointment of an Ombudsman for a Nursing Home Resident

Requiring the Secretary of Aging to establish and budget for specified staffing ratios for the Maryland Long-Term Care Ombudsman Program; etc.

Delegate Klausmeier, et al

HB 866 Medical Assistance -- Expedited Eligibility

Clarifying the application of expedited eligibility for any individual who applies for the Children and Families Health Care Program; requiring that the process be completed within 10 working days after the date of application; etc.

Delegate Klausmeier, et al

HB 886 Maryland Social Workers Act -- Revision

Altering the membership of and method of appointing the State Board of Social Work Examiners; altering the term of the chairman and secretary of the Board; requiring the Board to appoint an executive director; requiring individuals to hold specified licenses before practicing social work or clinical social work in the State; altering specified exemptions from licensing; altering qualification, education, training, and experience requirements that applicants must meet to obtain social work licenses; etc.

Delegate Guns, et al

HB 950 Medical Assistance -- Program Recipients -- Continuity of Care

Requiring the Department of Health and Mental Hygiene to establish mechanisms for identifying the primary care provider of a recipient of medical assistance and maintaining continuity of care with that provider; requiring a managed care organization, under specified circumstances, to assign a recipient of medical assistance to a particular primary care provider and to honor a request to change primary care providers within the same managed care organization; etc.

Delegate D Davis, et al

HB 1016 Health Insurance -- Discrimination -- Specified Diseases or Diagnoses

Prohibiting specified insurers, nonprofit health service plans, and health maintenance organizations from making benefits for treatment of a specified disease or diagnosis subject to different copayment amounts, coinsurance, deductibles, or specified maximum limits than those that apply to all other diseases or diagnoses unless otherwise provided by law.

Delegates Hurson and Brown

HB 1047 State Board of Nursing -- Probationary License

Allowing the State Board of Nursing to grant a probationary license under specified circumstances to an applicant for or holder of a nurse's license.

Delegate Hubbard, et al

HB 1051 State Board of Nursing -- Nursing Assistants in the Rehabilitation Program

Adding nursing assistants to the health professionals who may participate in the rehabilitation program of the State Board of Nursing; authorizing the Rehabilitation Committee to review and designate treatment facilities and services and to determine if a nursing assistant may safely continue to practice; requiring the Rehabilitation Committee to prepare specified reports and rehabilitation programs for participants and report to the Board; requiring the Board to keep rehabilitation records confidential; etc.

Delegate Hubbard, et al

HB 1068 Health Insurance -- Notice of Health Care Providers on Carrier's Provider Panel

Requiring a carrier to make available to enrollees and prospective enrollees a list of health care providers on the carrier's provider panel and information on providers that are no longer accepting new patients; altering the timing of when the printed list of providers on the carrier's provider panel must be provided and updated; requiring a carrier to provide the information on the Internet; etc.

Delegate Barve

HB 1102 State Board of Physicians -- Powers and Duties

Removing a provision of law that requires the State Board of Physician Quality Assurance to receive a written and signed complaint before investigating an alleged violation of the laws relating to the licensure and regulation of physicians.

Delegate Goldwater

HB 1103 Elevator Handrails in Health Care Facilities -- Income Tax Subtraction Modification

Allowing an income tax subtraction modification for expenses incurred to purchase and install handrails in existing elevators in health care facilities and buildings in which at least 50% of the space is used for medical purposes; and applying the Act to tax years after 1999.

EFFECTIVE JULY 1, 2000

Delegate Heller, et al

HB 1107 Dentistry -- Licensure of Retired Volunteer Dentists and Dental Hygienists

Establishing a license for a retired volunteer dentist to practice dentistry in the State; establishing a license for a retired volunteer dental hygienist to practice dental hygiene in the State; providing for qualifications and application procedures; and providing for specified limitations on the authority to practice dentistry or dental hygiene with a retired volunteer dentist's or dental hygienist's license.

Delegate Guns, et al

HB 1115 Pharmacies -- Record Logs

Authorizing a pharmacy to keep record logs of prescriptions requested to be filled or refilled by a patient; and prohibiting a pharmacy from listing a patient's Social Security number, illness, disability, or condition, or the name and type of drug received in specified record logs.

Delegate Dypski

HB 1184 Oral Health Programs -- Reducing Oral Cancer Mortality

Requiring the Secretary of Health and Mental Hygiene to establish the Oral Health Program to prevent and detect oral cancer in the State with a specified focus and intent; targeting the program to the needs of high-risk underserved populations; requiring the Secretary to establish the Prevent Oral Cancer Pilot Program to screen, refer, and treat high-risk underserved adults; etc.

EFFECTIVE JULY 1, 2000

Delegate Nathan--Pulliam, et al

HB 1205 Substance Abuse Treatment Outcomes Partnership -- S.T.O.P. Fund

Creating a Substance Abuse Treatment Outcomes Partnership Fund to finance proposals for drug treatment from participating local jurisdictions; prohibiting participating counties from supplanting existing levels of spending on drug treatment programs with Partnership funds and providing that Partnership funds may be used only to supplement levels of spending on drug treatment programs; requiring an annual report to specified entities by December 1; etc.

Delegate Gladden, et al

HB 1222 Private Review Agents -- Market Conduct Examinations

Requiring private review agents to undergo market conduct examinations; requiring private review agents to pay for the expense of market conduct examinations; and requiring that examinations of health maintenance organizations be conducted in the same manner as examinations of insurers and nonprofit health service plans.

EMERGENCY BILL

Delegate Busch

HB 1226 Department of Health and Mental Hygiene -- Assisted Living Facilities Grant Program

Establishing the Assisted Living Facilities Grant Program to provide grants to counties, municipal corporations, and nonprofit organizations for the conversion of public buildings to assisted living facilities, the acquisition of existing buildings or parts of buildings for use as assisted living facilities, the renovation of assisted living facilities, the purchase of capital equipment for assisted living facilities, and the planning, design, and construction of assisted living facilities; etc.

EFFECTIVE JULY 1, 2000

Delegate Pitkin, et al

HB 1232 Task Force to Study the Health Care Needs of Inmates in Transition from Correctional Institutions

Establishing a task force to study the health care needs of inmates in transition from correctional institutions; providing for the membership, duties, and staffing of the task force; requiring the task force to issue a report by a specified date; and providing for the termination of the Act.

EFFECTIVE JULY 1, 2000

Delegate Cane, et al

HB 1267 Alcohol and Drug Treatment to Work Pilot Program

Establishing the Alcohol and Drug Treatment to Work Pilot Program for selected individuals from specified jurisdictions who have completed inpatient alcohol or drug treatment programs to receive specified training or employment; requiring the Alcohol and Drug Abuse Administration to adopt regulations regarding the selection of participants and the administration of the pilot program; limiting the number of participants from specified counties; etc.

Delegate Oaks, et al

HB 1268 Mortality Review Committee -- Deaths of Individuals with Developmental Disabilities

Establishing a Mortality Review Committee in the Department of Health and Mental Hygiene to evaluate the causes or factors contributing to deaths of individuals with developmental disabilities who are in facilities or programs operated or licensed by the Developmental Disabilities Administration; establishing the membership and duties of the Committee; requiring the Committee to submit an annual report for public distribution; requiring confidentiality for specified information submitted to the Committee; etc.

Delegate Hubbard

HB 1425 Cigarette Restitution Fund Tobacco Use Prevention and Cessation Program -- Cancer Prevention, Education, Screening, and Treatment Pgm

Establishing a Tobacco Use Prevention and Cessation Program and a Cancer Prevention, Education,

Screening, and Treatment Program in the Department of Health and Mental Hygiene; providing that the programs shall be funded as provided in the State budget with money from the Cigarette Restitution Fund; authorizing the Legislative Auditor to audit the appropriations and expenditures made for purposes of the programs; etc.

CONTINGENT -- EFF. JULY 1, 2000

Delegate Rawlings, et al

SJ 4 Maryland Partnership for Long--Term Care Program

Urging the U.S. Congress to amend the Social Security Act to allow assets exempted under a long--term care partnership program to be excluded from Medicaid estate recoveries; and directing that a copy of the resolution be forwarded to specified individuals.

Senator Hollinger

HJ 11 Maryland Partnership for Long--Term Care Program

Urging the U.S. Congress to amend the Social Security Act to allow assets exempted under a long--term care partnership program to be excluded from Medicaid estate recoveries; and directing that a copy of the Resolution be forwarded to specified individuals.

Delegate Redmer

Part K
Natural Resources, Environment, and Agriculture

- SB 63 **Fish -- Duplicate Angler's License and Trout Stamp**
Clarifying provisions of law for obtaining a duplicate angler's license; and authorizing the issuance of a duplicate trout stamp under specified circumstances for a fee not exceeding \$1.
EFFECTIVE JUNE 1, 2000
Chairman EEA (Dept)
- SB 136 **State Used Tire Cleanup and Recycling Fund**
Clarifying that the State Used Tire Cleanup and Recycling Fund may be used to pay for scrap tire recycling programs, including research, planning, monitoring, public education, and market development; exempting under specified circumstances specified persons from the requirement that specified expenditures from the Fund be reimbursed to the Department of the Environment; lowering the maximum amount of the used tire recycling fee from \$1 to 40 cents per tire; etc.
VARIOUS EFFECTIVE DATES
Chairman EEA (Dept)
- SB 244 **Commuter Benefits Act of 2000**
Allowing a credit against specified State taxes for employers who provide employees a cash in lieu of parking program or a guaranteed ride home; allowing specified tax--exempt organizations to apply tax credits allowed for employer--provided commuter benefits as a credit against the payment of employee withholding taxes required to be withheld from the wages of employees and required to be paid to the Comptroller; requiring that a specified report be submitted to the General Assembly on or before December 1, 2005; etc.
EFFECTIVE JULY 1, 2000
Senator Ruben, et al
- SB 332 **Fishing -- Regulation of Pound or Stake Nets**
Repealing the requirement that applications for finfish licenses provide specified information on where pound nets will be set; authorizing the Department of Natural Resources to adopt regulations relating to the placement of pound or stake nets, including a specified limit on the number of locations that may be assigned to a licensee; etc.
Senator Stoltzfus
- SB 342 **Anne Arundel County -- Noise Control -- Sports Shooting Clubs**
Repealing an exception so as to make applicable to Anne Arundel County a prohibition against a political subdivision adopting noise control ordinances that prohibit specified hunting activities by sports shooting clubs that meet specified criteria.
Senator Jimeno
- SB 364 **Tobacco Authority -- Sunset Extension and Program Evaluation**
Continuing the Tobacco Authority in accordance with the provisions of the Maryland Program Evaluation Act (Sunset Law) by extending to July 1, 2006, the termination provisions relating to the statutory and regulatory authority of the Tobacco Authority; requiring that an evaluation of the Tobacco Authority and its statutes and regulations be performed on or before July 1, 2005; and requiring the Tobacco Authority to issue an annual report to the General Assembly on the status of tobacco growing in the State.
EFFECTIVE JUNE 1, 2000

Chairman EEA

SB 369 Maryland Horse Industry Board -- Sunset Extension and Program Evaluation

Continuing the Maryland Horse Industry Board in accordance with the provisions of the Maryland Program Evaluation Act (Sunset Law) by extending to July 1, 2006, the termination provisions relating to the statutory and regulatory authority of the Board; requiring that an evaluation of the Board and the statutes and regulations that relate to the Board be performed on or before July 1, 2005; altering the reporting requirements of the Board; etc.

Chairman FIN

SB 417 Power Dredging -- Oysters

Authorizing the Department of Natural Resources to grant permits to persons before allowing them to catch oysters with a power dredge in specified counties; authorizing the Department to issue a power dredge permit to holders of an oyster harvester license; and prohibiting persons permitted to catch oysters with a power dredge from harvesting oysters by any other method on specified days.

Senator Stoltzfus

SB 513 Environment -- Brownfields Revitalization Incentive and Voluntary Cleanup Programs

Revising the requirements for participation in the Brownfields Revitalization Incentive Program; authorizing the Department of Business and Economic Development to provide loans and grants to specified persons for environmental site assessments of proposed brownfields sites; providing that specified low--interest loans convert to market rate loans under specified circumstances; etc.

CONTINGENT

Senator Frosh, et al

SB 550 Coal Mining Operations -- Bureau of Mines -- Recognition of Certification of Other States

Authorizing the Director of the Bureau of Mines, Department of the Environment, to enter into agreements with regulatory agencies of other states to provide for the reciprocal recognition of specified certifications pertaining to coal mining operations; providing procedures to an individual with an out--of--state certificate to apply to the Bureau for reciprocal certification; requiring an individual with reciprocal certification to notify the Bureau if the other state takes disciplinary action against the original certificate; etc.

Senator Hafer

SB 729 Potomac River Protection Act

Requiring the Secretary of the Environment to submit specified reports to the General Assembly by July 1, 2002; prohibiting the Secretary from issuing permits for the construction of a water intake pipe into the Potomac River before a specified time except when specified conditions are met; providing specified exceptions to the prohibition; providing that the Act does not preempt or prohibit any ordinance, resolution, law, or rule more stringent than the Act; etc.

EFFECTIVE JUNE 1, 2000

Senator Van Hollen, et al

SB 756 Upland Wildlife Habitat Fund

Authorizing the Department of Natural Resources to use specified funds for the purpose of planting food or cover for upland game birds and mammals and wetland game birds; authorizing the Department to enter into contracts with farmers to reimburse farmers for specified planting to provide food or cover for upland game birds and mammals and wetland game birds; creating an Upland Wildlife Habitat Fund as a special, nonlapsing fund in the Department; providing for funding of the Fund through voluntary donation; etc.

EFFECTIVE JULY 1, 2000

Senator Hooper, et al

SB 788 Garrett County -- Deep Creek Lake

Establishing the Deep Creek Lake Policy and Review Board; providing for the establishment of a Deep Creek Lake recreation and land use plan; authorizing the Secretary of Natural Resources to adopt regulations relating to Deep Creek Lake; providing that specified regulations and fees are subject to the review and consent of the Board; etc.

EFFECTIVE JUNE 1, 2000

Senator Hafer

SB 849 Department of Agriculture -- Maryland Crop Insurance Premium Program

Authorizing the Secretary of Agriculture to pay a farmer eligible to participate in the Federal Crop Insurance Program a specified amount of money for Federal Crop Insurance premiums paid; authorizing moneys provided under the Program to be distributed from a specified source; authorizing the Secretary to adopt specified regulations; etc.

Senator Stoltzfus, et al

HB 158 Maryland Commercial Feed Law -- Fees

Altering the annual registration fee for specified commercial feed.

EFFECTIVE JULY 1, 2000

Chairman ENV (Dept)

HB 159 Pesticide Applicator's Law -- Fees

Altering the certificate fee for a pest control consultant and pest control applicator.

EFFECTIVE JULY 1, 2000

Chairman ENV (Dept)

HB 296 Natural Resources -- Public Recreation on Private Land and Land Owned by Local Governments -- Liability

Making specified provisions concerning the duty of care and liability applicable to specified land owned by a unit of local government and used for recreational or educational purposes; providing that specified provisions concerning the duty of care and liability to specified land used for recreational or educational purposes are in addition to other common law or statutory defenses or immunities; etc.

Delegate Sher, et al

HB 299 Maryland Horse Industry Board -- Sunset Extension and Program Evaluation

Continuing the Maryland Horse Industry Board in accordance with the provisions of the Maryland Program Evaluation Act (Sunset Law) by extending to July 1, 2006, the termination provisions relating to the statutory and regulatory authority of the Board; requiring that an evaluation of the Board and the statutes and regulations that relate to the Board be performed on or before July 1, 2005; altering the reporting requirements of the Board; etc.

Chairman W&M

HB 301 Maryland Agricultural Land Preservation Foundation -- Development Rights

Requiring a local governing body to submit a statement to the Maryland Agricultural Land Preservation Foundation of the total current development rights on agricultural land subject to an easement upon local approval of an application to sell an easement to the Foundation; and requiring the statement to include the total number of development rights that have been subdivided or transferred.

EFFECTIVE JULY 1, 2000

Delegates Glassman and James

HB 310 Commuter Benefits Act of 2000

Allowing a credit against specified State taxes for employers who provide employees a cash in lieu of parking program or a guaranteed ride home; allowing specified tax--exempt organizations to apply tax credits allowed for employer--provided commuter benefits as a credit against the payment of employee withholding taxes required to be withheld from the wages of employees and required to be paid to the Comptroller; requiring that a specified report be submitted to the General Assembly on or before December 1, 2005; etc.

EFFECTIVE JULY 1, 2000

Delegate Carlson, et al

HB 327 Department of Agriculture -- Nutrient Management

Altering the name and purpose of the Department of Agriculture's cost--sharing poultry matching service to include all livestock manure; establishing a cost--sharing rate for livestock manure; eliminating a cap on the amount of available State cost--sharing funds; eliminating specified requirements of immediate implementation of nutrient management plans for agricultural operations that use State cost--share funds for the preparation of nutrient management plans.

Chairman ENV (Dept)

HB 331 Environment -- Brownfields Revitalization Incentive and Voluntary Cleanup Programs

Altering the requirement that for a brownfields site to be eligible for specified financial incentives the site must be located in a jurisdiction that has elected to participate in the Brownfields Revitalization Incentive Program; authorizing the Department of Business and Economic Development to provide low--interest loans or grants to persons for conducting environmental site assessments of potential brownfields sites that are required for participation in the Voluntary Cleanup Program; etc.

CONTINGENT

Chairman ENV (Dept)

HB 347 Hunting -- Duck Blinds -- Site Licenses

Repealing specified requirements for an application for a duck blind site license; repealing specified requirements for obtaining a blind site license; repealing specified requirements for the content of a blind site license; repealing specified requirements for issuance of a blind site license; and repealing specified exceptions to requirements for a blind site license.

EFFECTIVE JUNE 1, 2000

Delegate Schisler, et al

HB 353 Tobacco Authority -- Sunset Extension and Program Evaluation

Continuing the Tobacco Authority in accordance with the provisions of the Maryland Program Evaluation Act (Sunset Law) by extending to July 1, 2006, the termination provisions relating to the statutory and regulatory authority of the Tobacco Authority; requiring that an evaluation of the Tobacco Authority and the statutes and regulations of the Tobacco Authority be performed on or before July 1, 2005; and requiring the Tobacco Authority to issue an annual report on the status of tobacco growing in the State to the General Assembly.

EFFECTIVE JUNE 1, 2000

Chairman ENV

HB 395 Potomac River Protection Act

Requiring the Secretary of the Environment to submit reports regarding the waters in the Potomac River basin to the General Assembly; prohibiting the Secretary from issuing a permit for the construction of a water intake pipe into the Potomac River until 6 months after the required reports have been submitted; providing an exception to the prohibition against issuing a permit; etc.

EFFECTIVE JUNE 1, 2000

Delegate Cryor, et al

HB 406 Deer Hunting -- Bonus Stamps

Authorizing the Department of Natural Resources to issue bonus stamps for hunting antlerless deer to regulate deer populations in specified areas; setting the fee for bonus stamps; and making changes in nomenclature regarding deer hunting.

EFFECTIVE JULY 1, 2000

Chairman ENV (Dept)

HB 407 Tidal Fish License -- Transfer and Authorization Provisions

Allowing the authorized representative of a deceased holder of a tidal fish license to request transfer of the license under specified circumstances; including the number of specified tidal fish authorizations relinquished to the Department of Natural Resources under specified procedures among the factors considered by the Department when modifying the target number of authorizations; etc.

EFFECTIVE JUNE 1, 2000

Chairman ENV (Dept)

HB 457 Environment -- Maryland Oil Disaster Containment, Clean--Up and Contingency Fund and Oil Contaminated Site Environmental Cleanup Fnd

Altering the per barrel fee for oil transferred in the State and credited to the Maryland Oil Disaster Containment, Clean--Up and Contingency Fund; designating a specified per barrel fee to be credited to the Oil Contaminated Site Environmental Cleanup Fund and a specified date on which the fee expires; designating specified dates that site rehabilitation costs from contamination caused by releases from specified oil tanks may be eligible for reimbursement from specified funds; etc.

EFFECTIVE JULY 1, 2000

Chairman ENV (Dept)

HB 478 Upland Wildlife Habitat Fund

Authorizing the Department of Natural Resources to use specified funds for the purpose of planting food or cover for upland game birds and mammals and wetland game birds; authorizing the Department to enter into contracts with farmers to reimburse farmers for specified planting to provide food or cover for upland game birds and mammals and wetland game birds; creating an Upland Wildlife Habitat Fund as a special, nonlapsing fund in the Department; providing for funding of the Fund through voluntary donations; etc.

EFFECTIVE JULY 1, 2000

Delegate Guns, et al

HB 656 Natural Resources -- Wild Waterfowl -- Blind Sites

Prohibiting a person from possessing shotgun shells that are loaded with specified shot under specified circumstances; providing that persons that have the written consent of adjoining landowners to achieve 250 yards of continuous shoreline may erect an offshore stationary blind or blind site; allowing a riparian landowner who owns less than 250 yards of continuous shoreline to establish an offshore blind site if no other shoreline is licensed within 125 yards of the blind site; etc.

EFFECTIVE JUNE 1, 2000

Delegates Weir and Guns

HB 716 Natural Resources -- Interstate Environment Compact -- Repealing

Repealing provisions of law concerning the Interstate Environment Compact; repealing provisions of law concerning the findings, purpose, reservations of power, short title, definitions, limitations, construction, and effective date of the Compact; repealing provisions of law concerning intergovernmental cooperation and supplementary agreements under the Compact; and repealing provisions of law concerning amendments to the Compact.

Delegate Heller (Chairman Joint Committee on Federal Relations)

HB 733 Garrett County -- Deep Creek Lake

Establishing the Deep Creek Lake Policy and Review Board; providing for the establishment of a Deep Creek Lake recreation and land use plan; authorizing the Secretary of Natural Resources to adopt regulations relating to Deep Creek Lake; providing that specified regulations and fees are subject to the review and consent of the Board; requiring the Department to submit a specified report on or before December 1, 2002; etc.

EFFECTIVE JUNE 1, 2000

Delegate Edwards

HB 740 Task Force to Study the Maryland Agricultural Land Preservation Foundation

Establishing a Task Force to Study the Maryland Agricultural Land Preservation Foundation; specifying the membership and duties of the Task Force; requiring the appointment of a chairman; providing for staffing of the Task Force; prohibiting a member of the Task Force from receiving specified compensation; authorizing a member to receive specified reimbursement; providing for meetings of the Task Force; requiring the Task Force to report to the General Assembly on or before specified dates; and providing for the termination of the Act.

EFFECTIVE JULY 1, 2000

Delegate Rudolph, et al

HB 805 Hunting -- Recovery of Killed, Wounded, or Injured Deer -- Use of Dogs

Requiring the Department of Natural Resources to adopt regulations governing the use of dogs to aid in the prompt recovery of killed, wounded, or injured deer; clarifying the application of a provision allowing other dogs pursuing deer to be killed; etc.

EFFECTIVE JULY 1, 2000

Delegate Schisler

HB 809 Angler's Licenses -- Nontidal Waters -- Nonresident License Fees

Modifying the fees for nonresident annual and short--term freshwater fishing licenses to provide that the fee shall be the same as the fee charged a Maryland resident by the applicant's home state or the current statutory fee, whichever is greater; limiting how the fee revenues may be used; etc.

Delegate Edwards

HB 823 Task Force on the Environmental Effects of MTBE

Establishing a Task Force on the Environmental Effects of MTBE; requiring the Task Force to determine and assess the environmental and health risks associated with ground and surface water contamination from MTBE, to examine national and regional efforts concerning ground and surface water contamination from MTBE, to recommend a plan to minimize and counteract the environmental and health risks associated with ground and surface water contamination from MTBE, and to explore alternatives to MTBE; etc.

EMERGENCY BILL

Delegate Clagett, et al

HB 882 Anne Arundel County -- Noise Control -- Sports Shooting Clubs

Repealing an exception so as to make applicable to Anne Arundel County a prohibition against a political subdivision adopting noise control ordinances that prohibit specified hunting activities by sports shooting clubs that meet specified criteria; etc.

Delegates Cadden and Owings

HB 888 Natural Resources -- Transferable Development Rights -- Rural Legacy Program

Authorizing the Rural Legacy Board in the Department of Natural Resources to transfer development rights from Rural Legacy Areas to specified areas within a priority funding area in a specified manner; authorizing

that specified funds may be used for the purchase of development rights in specified situations; providing that specified information be contained in the instrument of purchase of specified development rights; etc.

EFFECTIVE JANUARY 1, 2001

Delegate Guns, et al

HB 1052 Lead Poisoning Prevention -- Property Inspection -- Notice

Requiring owners of affected property to include a copy of a current verified inspection certificate with the notice of tenant's rights that is provided to the tenant under the Lead Poisoning Prevention Program of the Department of the Environment.

Delegate Marriott (Baltimore City Administration), et al

HB 1118 Natural Resources -- Freshwater Fishing Guides

Delineating specified areas where a person may provide fishing guide services for compensation to a person fishing for game and freshwater fish; providing for specified application and renewal fees to be used by the Department of Natural Resources for specified purposes; prohibiting a recreational angler under the guidance of specified freshwater fishing guides from catching or attempting to catch striped bass in spawning areas and rivers from March 1 through May 31; etc.

EMERGENCY BILL

Delegates Guns and Weir

HB 1124 Montgomery County -- Soil Conservation Districts -- Delegation of Approval Authority to Municipal Corps

Authorizing a soil conservation district to delegate approval authority of a grading and sediment control plan to a municipal corporation in Montgomery County that has its own sediment control review provisions, issues sediment control permits, and meets the necessary performance standards established by written agreement; etc.

Montgomery County Delegation

HB 1183 South Mountain Battlefield

Establishing a Civil War State Battlefield at South Mountain; requiring the Department of Natural Resources to manage and operate the Battlefield and set and charge fees based upon approximate operating costs; authorizing the Department to adopt regulations concerning the Battlefield; requiring the Governor annually to appropriate the necessary funds for the purposes of the Act under specified circumstances; etc.

Washington County Delegation and Frederick County Deleg

HB 1206 Smart Growth -- Visions -- Adequate Public Facilities

Adding a new vision relating to adequate public facilities and infrastructure under the control of the county or municipal corporation to the list of visions to be implemented by local planning commissions in the development of land use policy; adding to the State Economic Growth, Resource Protection, and Planning Policy the policy of having adequate public facilities and infrastructure in Smart Growth areas; etc.

Delegate Schisler

HB 1250 Agriculture -- Industrial Hemp -- Pilot Program

Establishing a pilot program to study the growth and marketing of industrial hemp; requiring the Secretary of Agriculture to administer the pilot program in consultation with specified State and federal agencies; requiring the Secretary to ensure safe cultivation of industrial hemp by conducting specified activities; requiring that participants in the pilot program shall be licensed by the Department; requiring the Department to determine an individual's eligibility for a license by obtaining specified information; etc.

EFFECTIVE JULY 1, 2000

Delegate C Davis, et al

HB 1254 Natural Resources -- Submerged Aquatic Vegetation -- Recreational Watercraft

Requiring the Department of Natural Resources to establish a program to study the impact of recreational watercraft on submerged aquatic vegetation beds; requiring the Department to designate specified submerged aquatic vegetation beds for the study; requiring the Department to mark designated submerged aquatic vegetation beds with buoys; requiring the study to make specified evaluations; authorizing the Department to adopt specified regulations; and requiring the Department to make a report of the results of the study.

EFFECTIVE JUNE 1, 2000

Delegate Weir, et al

HB 1293 Tidal Fish License -- Apprenticeship -- Exemptions

Requiring that the Department of Natural Resources issue a specified fish license to a person who has received a pardon after being incarcerated for a criminal offense without requiring the person to participate in a specified apprenticeship program.

EFFECTIVE JUNE 1, 2000

Delegates Schisler and Eckardt

HB 1299 Department of Agriculture -- Maryland Crop Insurance Premium Program

Authorizing the Secretary of Agriculture to pay a farmer eligible to participate in the Federal Crop Insurance Program a specified amount of money for Federal Crop Insurance premiums paid; authorizing moneys provided under the Program to be distributed from a specified source; and authorizing the Secretary to adopt specified regulations.

Delegate Conway, et al

HB 1305 Ballast Water Management -- Reporting and Prohibition

Requiring the Department of the Environment to adopt specified guidelines relating to vessel ballast water management; requiring specified persons to complete and return a form relating to vessel ballast water management; specifying penalties for violations of the Act; etc.

Delegate Hubbard, et al

HB 1322 Hunting and Trapping -- Coyotes -- Repeal of Sunset

Repealing the termination of provisions of law relating to the hunting and trapping of coyotes and the inclusion of coyotes under the definition of "fur--bearing mammal".

EFFECTIVE JULY 1, 2000

Delegate Owings

HB 1323 Natural Resources -- Critical Areas -- Reasonable Accommodations

Providing that a local government's critical area program shall include provisions for reasonable accommodations in policies and procedures when the accommodations are necessary to avoid discrimination on the basis of physical disability, including provisions that authorize a local jurisdiction to require removal of a specified structure when the accommodation is no longer necessary; etc.

EFFECTIVE JULY 1, 2000

Delegate Weir

SJ 6 Environment -- Solid Waste Management -- Voluntary Statewide Diversion Goal

Resolving that a voluntary statewide diversion goal of 40\% by 2005 be established through cooperation by specified parties; resolving that a specified formula to calculate each county's diversion rate be established; resolving that the Maryland Department of the Environment determine the source reduction credit; resolving that a mandatory county recycling rate of 15\% or 20\% be maintained; resolving that counties be provided with incentives to recycle; and resolving that counties report all solid waste recycled to the the Department.

Senator Dyson

Part L
Education

- SB 58 **Maryland Institute for Emergency Medical Services System -- Ambulance Services -- Creation of Fund**
Establishing the Commercial Ambulance Service Fund within the Maryland Institute for Emergency Medical Services System; requiring the Institute to pay all funds from the collection of licensing fees to the Comptroller of the State; requiring the Comptroller to distribute the collected fees to the Fund; specifying the purpose of the Fund; providing that the Fund is continuous and nonlapsing; providing that fees charged by the Institute are not transferred or reverted to the State General Fund; and requiring an audit of the Fund.
EMERGENCY BILL
Chairman B&T (Dept)
- SB 89 **Higher Education -- Community Colleges -- State Funding**
Providing that unrestricted grants shall be distributed to specified small community colleges beginning in fiscal year 2003; providing that the grant amounts shall increase in subsequent fiscal years depending on the increase in the amount of specified funding to the 4--year public institutions of higher education in the State; requiring the Maryland Higher Education Commission to periodically review the unrestricted grants authorized by the Act and make a specified determination; etc.
EFFECTIVE JULY 1, 2002
Senator Baker
- SB 106 **Education -- Grants for Transportation Services for Public School Students**
Making adjustments to the formula for transportation grants to county boards of education; and adjusting the time period for calculating increases in the grant amounts.
EFFECTIVE JULY 1, 2000
Chairman B&T (Dept)
- SB 107 **Education -- Public Education Partnership Fund**
Creating the Public Education Partnership Fund; specifying the status of the Fund, the source of money for the Fund, the way money in the Fund is to be held, and the purpose of the Fund; authorizing the Legislative Auditor to audit the Fund; and authorizing the State Board of Education to use the money in the Fund.
EFFECTIVE JULY 1, 2000
Chairman B&T (Dept)
- SB 140 **Maryland Prepaid College Trust and Maryland College Investment Plan**
Changing the name of the Maryland Higher Education Investment Program to the Maryland Prepaid College Trust; requiring the Governor under specified circumstances to include an appropriation for the Maryland Prepaid College Trust in the annual budget submitted to the General Assembly; establishing the Maryland College Investment Plan as a means to allow individuals to make contributions to accounts for the purposes of meeting qualified higher education expenses; etc.
EFFECTIVE JULY 1, 2000
Senator Miller, et al
- SB 181 **Waiver of Tuition and Fees -- Foster Care Recipients**
Providing a waiver from tuition and mandatory fees for specified students who enter an institution of higher education and who reside or have resided in foster care; providing the conditions for receiving the waiver; exempting a recipient from repaying specified amounts; providing for the duration of the waiver; requiring

the Department of Human Resources to provide specified information to the Maryland Higher Education Commission each year; etc.

EFFECTIVE JULY 1, 2000

Senator Frosh, et al

SB 252 Education -- Worcester County Board of Education -- Election of Members -- Straw Poll

Requiring that a question be placed on the ballot in Worcester County at the November general election of 2000 to determine the sense of the voters of the County on the issue of changing the method of selecting members of the Worcester County Board of Education in order to provide for the election of the members of the Board; and providing for the carrying out of the straw poll.

EFFECTIVE JULY 1, 2000

Senator Stoltzfus

SB 519 Education -- Maryland Dent--Care Program

Establishing the Maryland Dent--Care Program to provide education loan assistance grants to dentists who agree that 30\% of their patients treated for a 3--year period will be Maryland Medical Assistance Program recipients; requiring the State Scholarship Administration to administer the Maryland Dent--Care Program with the assistance of the Department of Health and Mental Hygiene, Office of Oral Health; establishing requirements for receiving a grant under the Program; etc.

EFFECTIVE JUNE 1, 2000

Senator Lawlah, et al

SB 522 Public Libraries -- Internet Access by Minors -- Obscene Materials

Requiring each county or board of trustees of a county library to adopt and implement policies and procedures for preventing a minor from obtaining access through the library to obscene materials or child pornography by means of the Internet or other interactive computer services; etc.

EFFECTIVE JULY 1, 2000

Senator Van Hollen, et al

SB 603 Higher Education -- Regional Higher Education Centers

Revising the Maryland Charter for Higher Education to include regional higher education centers; requiring the operating funds for each regional higher education center administered by the University System of Maryland to be included in the appropriation of the System office as a separate line item in the budget; requiring the Maryland Higher Education Commission to review, negotiate, and approve the mission statements developed by regional higher education centers; etc.

EFFECTIVE JULY 1, 2000

Senator Middleton, et al

SB 632 Ruth Enlow Library of Garrett County

Codifying under the Education Article the name of the public library system in Garrett County.

Senator Hafer

SB 648 Education -- Public School Holidays -- Presidents' Day

Establishing Presidents' Day as a public school holiday in the State.

EFFECTIVE JULY 1, 2000

Senator Miller

SB 650 Libraries -- Funding -- Regional Resource Centers

Altering to specified amounts in specified fiscal years the minimum allocations per each resident that each participating regional resource center shall receive for operating and capital expenses.

EFFECTIVE JULY 1, 2000

Senator Middleton, et al

- SB 697 **HOPE for Nontraditional Students -- Community College Transfer Scholarship Program**
Establishing the Community College Transfer Scholarship Program and providing for the award of scholarships under the Program; establishing qualifications and requirements for the receipt and retention of an award under the Program; providing for the funding of the scholarship Program; requiring repayment obligations for specified programs administered by the Maryland Higher Education Commission to be calculated at a specified interest rate and in a specified manner; etc.
Senator Collins
- SB 711 **Public School Construction -- Use of Solar Energy -- Pilot Program**
Establishing a pilot program to use solar energy in public school buildings; requiring the Interagency Committee on Public School Construction to implement and administer the pilot program; authorizing a local board to apply to the Committee for a grant to cover 90 percent of the total additional cost of constructing or renovating school buildings to utilize solar energy systems to meet specified percentages of the buildings' electrical energy needs and demand; etc.
EFFECTIVE JULY 1, 2000
Senator Pinsky, et al
- SB 712 **Education -- Lead Poisoning Tests -- Administering and Reporting**
Requiring the Department of Health and Mental Hygiene to adopt regulations to require parents or legal guardians of children entering a school to report the results of blood tests for lead poisoning at a specified time; requiring specified public schools to report on blood test results to the local health department; providing for a waiver of blood testing for religious reasons with a specified exception; etc.
EFFECTIVE JULY 1, 2000
Senator McFadden
- SB 750 **Education -- Early Childhood Literacy -- Grants**
Requiring the State Board of Education to distribute grants to organizations that promote literacy at an early age in a health care setting; requiring an organization that is awarded a grant to use the grant to purchase books and train health care providers; requiring the Governor to include funding for the grants in the State budget; and requiring the State Board to adopt regulations to implement the Act.
EFFECTIVE JUNE 1, 2000
Senator Kasemeyer, et al
- SB 773 **Education -- New Baltimore City Board of School Commissioners -- Bonding Authority**
Authorizing the New Baltimore City Board of School Commissioners to issue bonds for the acquisition, development, or improvement of public school facilities in the Baltimore City Public School System; establishing the rights and duties associated with the bonding authority; requiring passage of a resolution by the Mayor and City Council of Baltimore approving the Board's issuance of the bond before the bond may be issued; etc.
EFFECTIVE JULY 1, 2000
Senator McFadden
- SB 793 **Judith P. Hoyer Early Child Care and Education Enhancement Program**
Establishing the Judith P. Hoyer Early Child Care and Education Enhancement Program; providing that the Program shall be funded as provided in the State budget; authorizing the State Department of Education to distribute grants to county boards of education for specified purposes; establishing application procedures for the grants; etc.
EFFECTIVE JULY 1, 2000
Senator Kasemeyer, et al

- SB 810 Governor's Teacher Salary Challenge Program -- Public School Funding Enhancement**
Establishing the Governor's Teacher Salary Challenge Program; requiring the State Board of Education to make specified grants to county boards of education under specified circumstances; establishing a transitional education fund to be used to implement the Program; etc.
EFFECTIVE JUNE 1, 2000
The President (Administration), et al
- SB 869 Judith P. Hoyer Blue Ribbon Commission on the Financing of Early Child Care and Education**
Creating the Judith P. Hoyer Blue Ribbon Commission on the Financing of Early Child Care and Education; providing for the purpose, duties, and membership of the Commission; providing for the terms and compensation of members; providing for the appointment of members; requiring the Commission to meet at specified times and issue reports on or before specified dates; providing for the staffing of the Commission; etc.
EFFECTIVE JULY 1, 2000
Senator Kasemeyer
- HB 11 Maryland Prepaid College Trust and Maryland College Investment Plan**
Changing the name of the Maryland Higher Education Investment Program to the Maryland Prepaid College Trust; requiring the Governor under specified circumstances to include an appropriation for the Maryland Prepaid College Trust in the annual budget submitted to the General Assembly; establishing the Maryland College Investment Plan as a means to allow individuals to make contributions to accounts for the purpose of meeting qualified higher education expenses; etc.
EFFECTIVE JULY 1, 2000
Delegate Shriver, et al
- HB 117 Howard County -- Board of Education -- Compensation Ho. Co. 8--00**
Increasing the compensation paid to the Chairman of the Howard County Board of Education to \$14,000 and to the members of the Howard County Board of Education to \$12,000.
EFFECTIVE JULY 1, 2000
Howard County Delegation
- HB 145 Kent County -- Board of Education -- Officers**
Changing the title of chairman of the Kent County Board of Education to president; and providing for an elected vice president of the County Board.
Delegate Walkup, et al
- HB 152 Higher Education -- Repayment Obligations**
Requiring payment of interest at a specified rate on repayment obligations for specified programs administered by the Maryland Higher Education Commission; requiring repayment obligations to commence at a specified time; making the Act apply only to specified individuals; etc.
EFFECTIVE JULY 1, 2000
Chairman W&M (Dept)
- HB 192 Higher Education -- Community Colleges -- Tuition and Fees for Nonresident Students**
Altering the formula that determines the out--of--state fee and the out--of--county or out--of--region fee charged to nonresident students who attend specified community colleges; providing for a specified waiver of specified fees; etc.
EFFECTIVE JULY 1, 2000
Chairman W&M (Dept)

- HB 201 Education -- Worcester County Board of Education -- Election of Members -- Straw Poll**
Requiring that a question be placed on the ballot in Worcester County at the November 2000 general election to determine the sense of the voters of the County on the issue of changing the method of selecting members of the Worcester County Board of Education from appointment by the Governor to election by the voters; and providing for the carrying out of the straw poll.
EFFECTIVE JULY 1, 2000
Delegate Bozman, et al
- HB 231 Higher Education -- Student Financial Assistance and Scholarships**
Allowing graduates of a high school outside of Maryland to be eligible for a Guaranteed Access Grant under the Educational Excellence Awards Program; allowing recipients of specified State scholarships, grants, or awards to also hold specified other State scholarships, grants, or awards; requiring Maryland residency as a condition of eligibility for the Edward T. Conroy Memorial Scholarship and tuition assistance for career or volunteer firefighter, ambulance, or rescue squad members; etc.
Chairman W&M (Dept)
- HB 311 Higher Education -- Community Colleges -- State Funding**
Providing that unrestricted grants shall be distributed to specified small community colleges beginning in fiscal year 2003; providing that the grant amounts shall increase in subsequent fiscal years depending on the increase in the amount of specified funding to the 4--year public institutions of higher education in the State; requiring the Maryland Higher Education Commission to periodically review the unrestricted grants authorized by the Act and make a specified determination; etc.
EFFECTIVE JULY 1, 2000
Delegate Heller, et al
- HB 329 Education -- High School Diplomas -- World War II Veterans**
Allowing an individual who was honorably discharged from military service to apply to a specified county board of education to obtain a high school diploma if the individual withdrew from a full--time public or private school accredited by the State Board to enlist in the United States armed forces during World War II; and requiring that each county board of education adopt rules and regulations that establish procedures for awarding diplomas.
EFFECTIVE JULY 1, 2000
Delegate Conroy, et al
- HB 415 Education -- Public School Holidays -- Presidents' Day**
Establishing Presidents' Day as a public school holiday in the State.
EFFECTIVE JULY 1, 2000
Delegate Kagan, et al
- HB 476 HOPE for Nontraditional Students -- Community College Transfer Scholarship Program**
Establishing the Community College Transfer Scholarship Program and providing for the award of scholarships under the Program; establishing qualifications and requirements for the receipt and retention of an award under the Program; providing for the funding of the scholarship Program; requiring repayment obligations for specified programs administered by the Maryland Higher Education Commission to be calculated at a specified interest rate and in a specified manner; etc.
Delegate Healey, et al
- HB 543 Education -- Maryland Dent--Care Program**
Establishing the Maryland Dent--Care Program to provide education loan assistance grants to dentists who agree that 30\% of their patients treated for a 3--year period will be Maryland Medical Assistance Program recipients; requiring the State Scholarship Administration to administer the Maryland Dent--Care Program

with the assistance of the Department of Health and Mental Hygiene, Office of Oral Health; establishing requirements for receiving a grant under the Program; etc.

EFFECTIVE JUNE 1, 2000

Delegate Hammen, et al

HB 552 Special Education -- Extending Age of Eligibility

Extending the time through which a child is eligible for special education and related services to the end of the school year in which the child turns 21 years of age; and requiring special education and related services regulations of the State Board of Education to cover a child through the end of the school year in which the child turns 21 years of age.

Delegate Hubbard, et al

HB 572 Commission on Funding and Services for Gifted and Talented Student Education in Maryland -- Establishment

Establishing the Commission on Funding and Services for Gifted and Talented Student Education in Maryland to review the status of funding and services for gifted and talented students in major academic areas, the arts, and leadership; providing for the membership and duties of the Commission; requiring the Commission to submit interim and final reports to the Governor and the General Assembly by specified dates; etc.

EFFECTIVE JUNE 1, 2000

Delegate Hubbard, et al

HB 699 Frederick County -- Board of Education -- Compensation

Altering the amounts that the President and other members of the Frederick County Board of Education receive annually for traveling and other expenses; and requiring that members of the Frederick County Board of Education receive specified compensation and benefits.

Frederick County Delegation

HB 745 Education -- New Baltimore City Board of School Commissioners -- Bonding Authority

Authorizing the New Baltimore City Board of School Commissioners to issue bonds for the acquisition, development, or improvement of public school facilities in the Baltimore City Public School System; establishing the rights and duties associated with the bonding authority; requiring passage of a resolution, approving the Board's issuance of the bond, by the Mayor and City Council of Baltimore before a bond may be issued; etc.

EFFECTIVE JULY 1, 2000

Delegate Marriott

HB 769 Chesapeake College -- Board of Trustees -- Term Limit

Establishing that a member of the Board of Trustees of Chesapeake College may not serve for more than three 4--year terms; providing that terms that began before July 1, 2000, do not count toward the term limit; and conforming the time periods of the terms of incumbent members to the time periods of the terms of other members.

EFFECTIVE JULY 1, 2000

Delegate W Baker, et al

HB 803 Montgomery County School Board Composition Task Force MC 15--00

Establishing the Montgomery County School Board Composition Task Force to study the authority, size, composition, and responsibilities of the Montgomery County Board of Education; providing for the membership and the chair of the Task Force; providing for a quorum and the time and location of meetings of the Task Force; etc.

EFFECTIVE JULY 1, 2000

Montgomery County Delegation

HB 925 Community College of Baltimore County -- Board of Trustees and Chancellor -- Delegation of Authority

Authorizing the Board of Trustees of the Community College of Baltimore County to authorize the Chancellor of the Community College of Baltimore County to sign specified documents under an appropriate resolution of the Board of Trustees; etc.

EFFECTIVE JULY 1, 2000

Delegate Minnick (Baltimore County Administration)

HB 1023 Education -- Prince George's County Board of Education -- Selection of Student Member PG 412--00

Authorizing the Prince George's Regional Association of Student Governments to establish procedures for the election of the student member of the Prince George's County Board of Education; and making those procedures subject to the approval of the elected members of the Prince George's County Board of Education.

EFFECTIVE JULY 1, 2000

Prince George's County Delegation

HB 1064 Montgomery County -- Board of Education -- Public Hearings on Transportation of Students

Requiring the Montgomery County Board of Education to hold a public hearing whenever it hears an appeal relating to bus stops and bus routes; requiring that specified individuals be given the opportunity to testify and present their views at specified hearings; requiring that a decision on an appeal be made at a public hearing and that the individual vote of each member of the Board be recorded on the public record; etc.

Montgomery County Delegation

HB 1091 Task Force to Study College Readiness for Disadvantaged and Capable Students

Creating a Task Force to Study College Readiness for Disadvantaged and Capable Students; providing for the membership, duties, compensation, and staffing of the Task Force; requiring that the members be appointed by June 15, 2000; etc.

EFFECTIVE JUNE 1, 2000

Delegate Rawlings, et al

HB 1172 Education -- Early Childhood Literacy -- Grants

Requiring the State Board of Education to distribute grants to organizations that promote literacy at an early age in a health care setting; requiring an organization that is awarded a grant to use the grant to purchase books and train health care providers; requiring the Governor to include funding for the grants in the State budget; and requiring the State Board to adopt regulations to implement the Act.

EFFECTIVE JUNE 1, 2000

Delegate Shriver

HB 1185 Libraries -- Funding -- Regional Resource Centers

Altering to specified amounts in specified fiscal years the minimum allocations per each resident that each participating regional resource center shall receive for operating and capital expenses.

EFFECTIVE JULY 1, 2000

Delegate Taylor, et al

HB 1221 Education -- Lead Poisoning Tests -- Administering and Reporting

Requiring the Department of Health and Mental Hygiene to adopt regulations to require parents or legal guardians of children entering a school to report the results of blood tests for lead poisoning at a specified time; requiring specified public schools to report on blood test results to the local health department; providing for a waiver of blood lead testing for religious reasons; etc.

EFFECTIVE JULY 1, 2000

Delegate Marriott (Baltimore City Administration), et al

HB 1231 Higher Education -- Student Financial Assistance -- Retention of Unused Funds

Establishing that money appropriated by the State for student financial assistance that is not used in that fiscal year, unless excepted by other provisions of law, may not revert to the State treasury but shall be used to make awards to students during subsequent fiscal years; and prohibiting the use of retained student financial assistance funds for administrative expenses.

EFFECTIVE JULY 1, 2000

Delegate Kopp, et al

HB 1244 Montgomery County -- Education -- Home and Hospital Teacher Representation MC 3--00

Including Montgomery County home and hospital teachers in the definition of "public school employees"; requiring the exclusive negotiating agent for public school employees in the County to represent home and hospital teachers in matters related to salary, wages, hours, and other working conditions; exempting county home or hospital teachers who work on a short--term, day--to--day basis from the requirement to pay a representation fee; and repealing an obsolete provision.

EFFECTIVE JULY 1, 2000

Montgomery County Delegation

HB 1247 Governor's Teacher Salary Challenge Program -- Public School Funding Enhancement

Establishing the Governor's Teacher Salary Challenge Program; requiring the State Board of Education to make specified grants to county boards of education under specified circumstances; establishing a transitional education fund to be used to implement the Program; etc.

VARIOUS EFFECTIVE DATES

The Speaker (Administration), et al

HB 1249 Judith P. Hoyer Early Child Care and Education Enhancement Program

Establishing the Judith P. Hoyer Early Child Care and Education Enhancement Program; providing that the Program shall be funded as provided in the State budget; authorizing the State Department of Education to distribute grants to county boards of education for specified purposes; establishing application procedures for the grants; etc.

EFFECTIVE JULY 1, 2000

Delegate Shriver, et al

HB 1284 Judith P. Hoyer Blue Ribbon Commission on the Financing of Early Child Care and Education

Creating the Judith P. Hoyer Blue Ribbon Commission on the Financing of Early Child Care and Education; providing for the purpose, duties, and membership of the Commission; providing for the terms and compensation of members; providing for the appointment of members; requiring the Commission to meet at specified times and issue reports on or before specified dates; providing for the staffing of the Commission; etc.

EFFECTIVE JULY 1, 2000

Delegate Shriver, et al

SJ 7 Creation of a U.S. Space and Flight Center in Maryland

Stating that there is the need for a U.S. Space and Flight Center to be established in Prince George's County in conjunction with the Goddard Space Flight Center and Andrews Air Force Base; and urging the Maryland Delegation to Congress to seek federal support for the establishment of the U.S. Space and Flight Center and the cooperation of the Goddard Space Flight Center and Andrews Air Force Base.

Senator Currie

SJ 11 Secondary Career and Technology Education Programs

Stating the intent of the General Assembly to concur in placing specified secondary career and technology education programs in the Maryland Unified Plan for Workforce Investment.

Senator Green

HJ 18 Creation of a U.S. Space and Flight Center in Maryland

Stating that there is the need for a U.S. Space and Flight Center to be established in Prince George's County in conjunction with the Goddard Space Flight Center and Andrews Air Force Base; and urging the Maryland Delegation to Congress to seek federal support for the establishment of the U.S. Space and Flight Center and the cooperation of the Goddard Space Flight Center and Andrews Air Force Base.

Delegate R Baker, et al

HJ 27 Secondary Career and Technology Education Programs

Stating the intent of the General Assembly to concur in placing specified secondary career and technology education programs in the Maryland Unified Plan for Workforce Investment.

Delegate Kopp

Part M
Human Resources

- SB 43 **Disabled Persons -- Guardian of the Person -- Delegation of Authority**
Authorizing the Secretary of Aging to delegate responsibilities of guardianship of disabled persons to staff persons registered with the court.
Chairman JPR (Dept)
- SB 50 **Assistance Card Programs -- Operation**
Repealing the requirement that the Secretary of Aging operate a "Golden Age Card" Program for individuals who are 65 years of age or older or disabled; requiring the Office for Individuals with Disabilities to operate a "Disability Access Card" Program for individuals who are disabled; prohibiting the Director of the Office from charging a fee for a disability access card; etc.
Chairman FIN (Dept)
- SB 65 **Family Day Care Providers -- Grant Funds -- Repeal of Sunset Provision**
Repealing the termination of the provisions of law relating to the Family Day Care Provider Direct Grant Fund.
EFFECTIVE JUNE 1, 2000
Chairman EEA (Dept) and Senator Hoffman
- SB 108 **Child Support -- Child Support Reinvestment Fund -- Modifications**
Altering the Child Support Reinvestment Fund to include all the federal performance incentive payments received by the Department of Human Resources in a fiscal year; repealing the requirement that the Fund may not receive more than \$5 million in federal performance incentive dollars in a fiscal year, and the Fund balance may not exceed \$5 million; altering uses of the Fund; providing that the moneys from the Fund may not be used to supplant the budget of a county or local support enforcement office; etc.
EFFECTIVE JULY 1, 2000
Chairman B&T (Dept)
- SB 151 **Attendant Care Program -- Administrative Costs**
Providing that the Attendant Care Program shall be funded as provided in the State budget; and repealing provisions of law that relate to administrative costs of the Attendant Care Program.
EFFECTIVE JULY 1, 2000
Chairman B&T (Dept)
- SB 514 **Department of Housing and Community Development -- Affordable Housing**
Establishing a Self--Help Homeownership Technical Assistance Program in the Department of Housing and Community Development; requiring the Department to administer the Program and adopt specified regulations, policies, and procedures that encourage self--help homeownership throughout the State; establishing specified conditions for the approval of project applications by the Department; etc.
VARIOUS EFFECTIVE DATES
Senator McFadden, et al
- SB 671 **Child Welfare -- Integration of Child Welfare and Substance Abuse Treatment Services**
Requiring the Secretary of Human Resources and the Secretary of Health and Mental Hygiene to develop a statewide protocol for integrating child welfare and substance abuse treatment services; specifying the

elements to be included in the protocol; requiring a court to order substance abuse assessment and testing of an at-risk parent upon a request by a local department of social services; requiring the Governor to include in the State budget, for fiscal year 2004, \$500,000 for an independent results-based evaluation; etc.

EFFECTIVE JULY 1, 2000

Senator Van Hollen, et al

SB 742 Advisory Council on Attention Deficit Hyperactivity Disorder

Establishing an Advisory Council on Attention Deficit Hyperactivity Disorder; providing for the membership, chairman, and staff of the Advisory Council; requiring the Advisory Council to study and take specified actions regarding attention deficit hyperactivity disorder; requiring the Governor and State agencies to implement the recommendations of the Task Force to Study the Uses of Methylphenidate and Other Drugs on School Children; requiring reports by the Advisory Council; etc.

EFFECTIVE JULY 1, 2000

Senator Hollinger (Task Force to Study the use of Methylphenidate and Other Drugs on School Children)

HB 7 Child Welfare -- Integration of Child Welfare and Substance Abuse Treatment Services

Requiring the Secretary of Human Resources and the Secretary of Health and Mental Hygiene to develop a statewide protocol for integrating child welfare and substance abuse treatment services; specifying the elements to be included in the protocol; requiring a court to order substance abuse assessment and testing of an at-risk parent upon a request by a local department of social services; requiring the Governor, under specified circumstances, to include funds in the State budget; etc.

EFFECTIVE JULY 1, 2000

Delegate Taylor, et al

HB 501 Department of Housing and Community Development -- Affordable Housing

Establishing a Self-Help Homeownership Technical Assistance Program in the Department of Housing and Community Development; requiring the Department to administer the Program and adopt specified regulations, policies, and procedures that encourage self-help homeownership; establishing specified conditions for the approval of project applications; providing that service as a trustee of the Board of Trustees for the Maryland Affordable Housing Trust may not be deemed an office or employment for specified purposes; etc.

VARIOUS EFFECTIVE DATES

Delegate Cane, et al

HB 694 Advisory Council on Attention Deficit Hyperactivity Disorder

Establishing an Advisory Council on Attention Deficit Hyperactivity Disorder; providing for the membership, chairman, and staff of the Advisory Council; requiring the Advisory Council to study and take specified actions regarding attention deficit hyperactivity disorder; requiring the Governor and State agencies to implement the recommendations of the Task Force to Study the Uses of Methylphenidate and Other Drugs on School Children; requiring specified reports by the Advisory Council; etc.

EFFECTIVE JULY 1, 2000

Delegate Morhaim, et al

HB 1160 Welfare Innovation Act of 2000

Authorizing the Secretary of Human Resources to establish as many as six Family Investment Program demonstration sites; altering the model hiring agreement used by the Secretary of Human Resources under the Program to allow priority hiring to positions that are not entry-level positions; requiring the Secretary and local directors of social services to work with local governments in recruiting and hiring Program recipients for local government positions; etc.

EFFECTIVE JULY 1, 2000

Errata

Part A - Budget and State Aid

SB 225 Creation of a State Debt -- Maryland Consolidated Capital Bond Loan of 2000, the Maryland Consolidated Capital Bond Loans of 1992, 1994, 1996, 1997, 1998, and 1999, and the General Construction Loan of 1982

Authorizing the creation of a State Debt in the amount of \$428,623,000 for specified purposes; altering provisions of prior capital budgets; etc.

EFFECTIVE JUNE 1, 2000

The President (Administration)

Part L -- Education

SB 58 Maryland Institute for Emergency Medical Services System -- Ambulance Services -- Creation of Fund

Establishing the Commercial Ambulance Service Fund within the Maryland Institute for Emergency Medical Services System; requiring the Institute to pay all funds from the collection of licensing fees to the Comptroller of the State; requiring the Comptroller to distribute the collected fees to the Fund; specifying the purpose of the Fund; providing that the Fund is continuous and nonlapsing; providing that fees charged by the Institute are not transferred or reverted to the State General Fund; and requiring an audit of the Fund.

EMERGENCY BILL

Chairman B&T (Dept)

SB 522 Public Libraries -- Internet Access by Minors -- Obscene Materials

Requiring each county or board of trustees of a county library to adopt and implement policies and procedures for preventing a minor from obtaining access through the library to obscene materials or child pornography by means of the Internet or other interactive computer services; etc.

EFFECTIVE JULY 1, 2000

Senator Van Hollen, et al

SB 650 Libraries -- Funding -- Regional Resource Centers

Altering to specified amounts in specified fiscal years the minimum allocations per each resident that each participating regional resource center shall receive for operating and capital expenses.

EFFECTIVE JULY 1, 2000

Senator Middleton, et al

SB 712 Education -- Lead Poisoning Tests -- Administering and Reporting

Requiring the Department of Health and Mental Hygiene to adopt regulations to require parents or legal guardians of children entering a school to report the results of blood tests for lead poisoning at a specified time; requiring specified public schools to report on blood test results to the local health department; providing for a waiver of blood testing for religious reasons with a specified exception; etc.

EFFECTIVE JULY 1, 2000

Senator McFadden

SB 869 Judith P. Hoyer Blue Ribbon Commission on the Financing of Early Child Care and Education

Creating the Judith P. Hoyer Blue Ribbon Commission on the Financing of Early Child Care and Education; providing for the purpose, duties, and membership of the Commission; providing for the terms and compensation of members; providing for the appointment of members; requiring the Commission to meet at specified times and issue reports on or before specified dates; providing for the staffing of the Commission; etc.

EFFECTIVE JULY 1, 2000

Senator Kasemeyer

HB 329 Education -- High School Diplomas -- World War II Veterans

Allowing an individual who was honorably discharged from military service to apply to a specified county board of education to obtain a high school diploma if the individual withdrew from a full--time public or private school accredited by the State Board to enlist in the United States armed forces during World War II; and requiring that each county board of education adopt rules and regulations that establish procedures for awarding diplomas.

EFFECTIVE JULY 1, 2000

Delegate Conroy, et al

HB 769 Chesapeake College -- Board of Trustees -- Term Limit

Establishing that a member of the Board of Trustees of Chesapeake College may not serve for more than three 4--year terms; providing that terms that began before July 1, 2000, do not count toward the term limit; and conforming the time periods of the terms of incumbent members to the time periods of the terms of other members.

EFFECTIVE JULY 1, 2000

Delegate W Baker, et al

HB 1185 Libraries -- Funding -- Regional Resource Centers

Altering to specified amounts in specified fiscal years the minimum allocations per each resident that each participating regional resource center shall receive for operating and capital expenses.

EFFECTIVE JULY 1, 2000

Delegate Taylor, et al

HB 1221 Education -- Lead Poisoning Tests -- Administering and Reporting

Requiring the Department of Health and Mental Hygiene to adopt regulations to require parents or legal guardians of children entering a school to report the results of blood tests for lead poisoning at a specified time; requiring specified public schools to report on blood test results to the local health department; providing for a waiver of blood lead testing for religious reasons; etc.

EFFECTIVE JULY 1, 2000

Delegate Marriott (Baltimore City Administration), et al

HB 1284 Judith P. Hoyer Blue Ribbon Commission on the Financing of Early Child Care and Education

Creating the Judith P. Hoyer Blue Ribbon Commission on the Financing of Early Child Care and Education; providing for the purpose, duties, and membership of the Commission; providing for the terms and compensation of members; providing for the appointment of members; requiring the Commission to meet at specified times and issue reports on or before specified dates; providing for the staffing of the Commission; etc.

EFFECTIVE JULY 1, 2000

Delegate Shriver, et al

SJ 7 Creation of a U.S. Space and Flight Center in Maryland

Stating that there is the need for a U.S. Space and Flight Center to be established in Prince George's County in conjunction with the Goddard Space Flight Center and Andrews Air Force Base; and urging the

Maryland Delegation to Congress to seek federal support for the establishment of the U.S. Space and Flight Center and the cooperation of the Goddard Space Flight Center and Andrews Air Force Base.

Senator Currie

HJ 18 **Creation of a U.S. Space and Flight Center in Maryland**

Stating that there is the need for a U.S. Space and Flight Center to be established in Prince George's County in conjunction with the Goddard Space Flight Center and Andrews Air Force Base; and urging the Maryland Delegation to Congress to seek federal support for the establishment of the U.S. Space and Flight Center and the cooperation of the Goddard Space Flight Center and Andrews Air Force Base.

Delegate R Baker, et al