# MONTGOMERY COUNTY OFFICE OF INTERGOVERNMENTAL RELATIONS GENERAL ASSEMBLY 2024 END OF SESSION SUMMARY

# **Overview**

With the Moore Administration's first year and the pandemic fallout officially in the rearview mirror, the 2024 Session opened with a sense that the business of the State Legislature would return to normal. That looked to be the case – until the abnormal started to happen. First, not long after the State budget was introduced, a rare line-in-the-sand philosophical difference between the House and the Senate developed about if and when the Legislature should address immediate deficits in the Transportation Trust Fund and future deficits in the State's General Fund. On March 26<sup>th</sup>, this battle of wills was trumped by a turn of events that no one could have predicted, with the tragic collapse of the Francis Scott Key Bridge, after being hit by a powerless container ship leaving the Port of Baltimore. Not only was there loss of life, the Port of Baltimore – a key economic driver of the Baltimore region and Maryland economy overall – was shut down to commerce. The bridge tragedy helped focus the need for the Legislature to agree on a budget plan. The following week, there was consensus on a \$63 billion State operating budget and emergency legislation to help address the fallout from one of the worst maritime disasters in recent history.

The Legislature also successfully tackled other policy challenges, with members of the Montgomery County Delegation playing key roles in shaping major pieces of legislation, many of which are highlighted in this summary. In January, two Delegation members in the House took over key leadership posts, with Delegate Marc Korman transitioning from the role of House Majority Leader to Chair of the House Environment and Transportation Committee and Delegate David Moon moving into the vacated Majority Leader position. These promotions helped strengthen the hand of an already influential 35-member Montgomery County Delegation team, the largest in the State.

#### **Budget**

After two years of State budgets flush with cash, it became apparent well before the 2024 Session began that the sands had shifted, and the State would be facing budget challenges once again. In December, the Maryland Department of Transportation announced that the Transportation Trust Fund (TTF) could not support the commitments made in the State's sixyear Consolidated Transportation Plan, necessitating \$3.3 billion of funding cuts from the \$21 billion Plan to bring it into balance. The Washington Metropolitan Area Transit Authority (WMATA/Metro) was also in financial trouble since the flow of federal funds that had supported it throughout the pandemic was ending and to sustain the system, the compact members – Virginia, Maryland, and the District of Columbia – would need to increase their financial commitments. Also in December, the Department of Legislative Services identified a State operating budget shortfall of \$1.1 billion for fiscal 2025 and a structural deficit that would continue to grow, reaching more than \$3 billion by fiscal 2029, if actions weren't taken to bring

spending and revenues in line to support the State's \$60 billion and counting annual spending needs.

The House and the Senate did not share the same views on how to manage these separate budget challenges. The House preference was to reconcile both the short and longer-term TTF deficit and the longer-term State operating budget challenges in the fiscal 2025 budget by raising revenues. The Senate, which would move the budget bills first, announced early on its strong opposition to such a plan, preferring to support actions to address immediate needs only. The State capital budget, while always part of any budget reconciliation strategy between the two houses, was non-controversial.

Transportation: The announced cuts hit local governments particularly hard with across-the-board reductions in Highway User funds and grants for Locally Operating Transit Systems (LOTS). Reacting to the public outcry right before the start of the 2024 Session, the Governor decided to restore some of the funding cuts for fiscal 2025 only. In addition, a \$150 million commitment was made to support WMATA/Metro for the next two years. As the largest recipient of LOTS funding and the home of many WMATA/Metro commuters, Montgomery County welcomed this news. Several other projects important to the County that had also been caught up in the initial cuts were restored and, of note, funding for the Purple Line had never been on any cut list. In the short term, much to the chagrin of its peers, the County was largely unscathed. However, a long-term transportation plan for the State did not exist and the Maryland Commission on Transportation Revenue and Infrastructure Needs (TRAIN Commission) that had been established to recommend such a plan would not complete its work until the end of 2024. In its interim report, the TRAIN Commission recommended that tolls should be raised and owners of electric vehicles (EVs), one of the key causes of declining gas tax revenues, should pay their fair share to support the State's transportation system.

Recognizing the TRAIN Commission recommendations and that a repeat of the 2023 cuts in 2024 should be avoided, legislation was filed in the Senate to allow tolls to be raised and to place an inflation-adjusted registration fee surcharge on plug-in vehicles and EVs. As expected, the House took a different approach by introducing a number of bills to satisfy the House's intent to shore-up transportation funding needs for the long term. The list included a new impact fee on Uber and Lyft rides and retail deliveries, a repeal of the trade-in allowance, and comprehensive overhauls to registration fees, titling fees, and excise taxes. The House also eliminated the TRAIN Commission, seeing no need for its work to continue if this package of bills passed.

Once the "stand-off" between the two houses ended, agreement was reached on a package of transportation revenue enhancements that would ultimately raise about \$350 million annually. This revenue would be generated from legislation passed to increase fines for speeding in work zones (HB 513) and amendments to the *Budget Reconciliation and Financing Act of 2024* (SB 362) to increase surcharges on EVs, increase registration fees based on weight class, impose impact fees on Uber and Lyft rides, and increase the "dealer processing charge" which results in higher car prices and therefore higher taxes. No toll-related bill passed, given uncertainties surrounding the collapse of the tolled Francis Scott Key Bridge, which occurred

after negotiations had begun. Further, the TRAIN Commission will continue to exist, with some revisions to its membership and the addition of an advisory committee.

# **Operating Budget**

The Governor, siding with the Senate's approach, submitted an operating budget that addressed the \$1.1 billion fiscal 2025 cash deficit through a variety of means, including reducing spending, making revenue adjustments, transferring funds from various balances and accounts to the State's general fund, and by not appropriating an expected \$500 million to the Rainy Day Fund. At the outset, the Department of Legislative Services noted that the State's spending commitments could not be sustained in the out-years without new revenue. Full funding of the Blueprint past fiscal 2026 was identified as a key driver of the out-year deficit projections.

True to its word, and to ensure sufficient funds for the Blueprint in future years, the House decided on a plan to address the problem now by passing legislation to implement Internet Gaming (HB 1319), subject to a voter referendum, and amending the *Budget Reconciliation and Financing Act of 2024* (SB 362), to require "combined reporting" so that corporations would have to submit combined income tax returns. The revenues that these sources would potentially generate would not be realized for several years. Therefore, these initiatives would have no immediate impact on the operating budget. Also true to its word, the Senate refused to consider either of these options. Ultimately, the two houses agreed to raise about \$91 million for the Blueprint, generated from a tax increase on cigarettes and other nicotine products, leaving for another day a plan to address the structural deficit - or as time passes, to get lucky and avoid the need.

On the local front, the State operating budget includes about \$1.1 billion in direct State aid to support Montgomery County's public education, health, transportation, and public safety delivery systems, an increase of \$69 million over fiscal 2024. Increases in funding for two programs dominate that year-to-year change: (1) public pre-K through 12 education – \$39.6 million; and (2) the County's Bus Rapid Transit System – \$27 million (see Attachment 1).

#### **Capital Budget**

Reconciling the State's \$3.2 billion fiscal 2025 capital budget was accomplished without much theater. On the local front, the State capital budget (SB 361) includes a projected \$133 million of new State capital investments that will be directed to projects located within the County. This figure does not include the preauthorization of \$14 million in State capital funds that will need to be appropriated in fiscal 2026 (see Attachment 2).

Highlights of projected fiscal 2024 State infrastructure investments in Montgomery County include:

• \$63 million for pre-K through 16 education, which includes several major Montgomery College projects and funding for the Montgomery County Public Schools capital improvements program.

- \$16 million for housing and community development projects.
- \$6 million for hospitals and other health facilities located in the County.
- \$21 million for parks, playgrounds, land preservation, and other community projects located within the County's borders.
- \$4 million for economic development related projects, including the Institute for Health Computing and Biohub Maryland

#### **Climate and Environment**

While this was not a banner Session for State climate progress, the General Assembly passed a variety of bills that will help reduce greenhouse gas (GHG) emissions toward meeting the State's ambitious climate goals.

Building decarbonization continued to be a legislative priority this year. House Bill 864, Energy Efficiency and Conservation Plans, reforms the EmPOWER Maryland statewide energy savings program to prioritize GHG reductions and offer incentives to help building owners switch from gas furnaces to efficient electric heating equipment. It also adjusts the way the program is paid for to lower long-term costs to ratepayers. House Bill 397/Senate Bill 570, Public Utilities - Thermal Energy Network Systems - Authorization and Establishment (Working for Accessible Renewable Maryland Thermal Heat (WARMTH) Act), requires natural gas utilities to develop pilot projects to help decarbonize neighborhoods by providing building heating services without the ongoing combustion of fossil fuels. However, legislation to require new buildings statewide to meet their heat and hot water needs through efficient electric equipment was unsuccessful, and a conference committee budget amendment was added in the final week of Session that will delay action on the State's Building Energy Performance Standards.

Several bills passed this year to support Maryland's transition to electric vehicles (EVs). Most immediately impactful, a pair of bills, HB 159/SB 465, Common Ownership Communities - Electric Vehicle Recharging Equipment (Electric Vehicle Recharging Equipment Act of 2024) and HB 216/SB 206, Condominiums - Common Elements - Clean Energy Equipment, will make it easier for residents of common ownership communities to install EV equipment to charge where they live. House Bill 1256/Senate Bill 959, Electricity - Tariffs, Distributed Energy Resources, and Electric Distribution System Support Services (Distributed Renewable Integration and Vehicle Electrification (DRIVE) Act), will make Maryland one of the first states in the country to establish rules for connecting EVs capable of bidirectional charging to the electric grid in a manner that could reward EV drivers for helping to provide electricity during times of peak power demand. Additional legislation passed creating a workgroup to develop recommendations for improving the reliability of EV charging stations. However, a bill that would have replaced the State's existing EV tax credit with a point-of-purchase instant rebate program failed to pass.

Legislative progress toward the Governor's goal of 100 percent clean energy by 2035 was limited. Senate Bill 783, Public Utilities - Solar Energy Systems and Programs, Maryland Strategic Energy Investment Fund, and Prevailing Wage (Brighter Tomorrow Act), enhances incentives for solar energy development on rooftops, parking lot canopies, and brownfields, and provides grants to help low-to-moderate households deploy solar projects. The bill also exempts

non-residential rooftop and parking lot canopy solar projects from property tax and requires local governments to implement online solar permitting software. In the recent wake of one major offshore wind developer stepping back from planned Maryland projects, HB 1296, Electricity - Offshore Wind Projects - Alterations, directs the Maryland Public Service Commission to revise certain elements of offshore wind planning to help maximize the amount of offshore wind capacity that will be built in already approved lease areas. However, major clean energy reform legislation was largely absent this Session, and despite advocacy by the County, the General Assembly again failed to pass legislation that would revise the definition of Tier 1 renewable energy sources to exclude waste incineration from the State's Renewable Portfolio Standard.

Energy legislation continued to balance the importance of consumer protection with progress toward the State's climate goals. <u>Senate Bill 1</u>, *Electricity and Gas - Retail Supply - Regulation and Consumer Protection*, tightens regulations on retail energy suppliers to counter often predatory business practices.

Other successful bills raised concerns. Senate Bill 474, Certificate of Public Convenience and Necessity and Related Approvals - Definition of Generating Station (Critical Infrastructure Streamlining Act of 2024), will treat data centers as critical infrastructure and exempt them from certain forms of environmental review. House Bill 449/Senate Bill 148, Comprehensive Flood Management Grant Program - Funding for Underserved and Overburdened Communities, will ensure that at least 40 percent of funding provided through the State's Comprehensive Flood Management Grant Program be used for projects located in or directly benefiting underserved or overburdened communities. However, the bills were amended to make future program funding discretionary.

Several other important environmental bills passed this year related to County priorities in the areas of recycling and producer responsibility, and other environmental protection policies and investments.

House Bill 1/Senate Bill 325, Maryland Paint Stewardship, are extended producer responsibility bills that will place an assessment on the purchase of paint to fund the Paint Stewardship Program, requiring producers to collect, reuse and/or recycle unused paint.

House Bill 1165/Senate Bill 969, Watershed, Stream, and Floodplain Restoration - Chesapeake and Atlantic Coastal Bays Restoration and Stream and Floodplain Restoration Funding (Whole Watershed Act), establishes the Whole Watershed Restoration Partnership. The partnership can award funding of up to 50 percent of project costs to up to five projects every five years to demonstrate the effectiveness of stream restoration. The bill also requires additional public outreach on all stream restoration projects and requires the Maryland Department of the Environment to review and approve the projects based on certain criteria.

House Bill 1101/Senate Bill 653, Standing - Environmental and Natural Resources Protection Proceedings (Clean Water Justice Act of 2024), establishes standing for individuals to bring civil action in certain environmental and natural resources protection proceedings.

House Bill 1511, Forest Conservation Act - Modifications, delays the implementation of the forest conservation bill from last year to allow the Department of Natural Resources more

time to develop necessary guidance. It also changes the definition of qualified conservation with regard to forest mitigation banks, adds certain areas and vegetation considered to be a priority for forest retention, and provides an afforestation exemption for solar.

House Bill 1153/Senate Bill 956, Environment - Water Pollution Control - Protecting State Waters From PFAS Pollution (Protecting State Waters From PFAS Pollution Act), requires the Maryland Department of the Environment to identify significant industrial users of PFAS (including leachate collection systems) and to develop PFAS monitoring and testing criteria and mitigation plans. This bill will impact the County as it is a significant industrial user (Oaks Landfill leachate collection system) and will be required to perform additional monitoring and possibly install additional treatment. It will also help to protect the drinking water infrastructure of WSSC Water, the County's water and wastewater utility.

Other environmental bills of note include: (1) <u>HB 457</u>, *Environment - Synthetic Turf Disclosure and Study*, which requires the Maryland Department of the Environment to form a workgroup and perform a study on synthetic turf; (2) <u>HB 22/SB 178</u>, *Agriculture - Pollinator Habitat Plan - Requirements for State Highway Administration*, strengthens the Administration's policies and procedures to protect pollinator habitat; and (3) <u>HB 1512</u>, *Bay Restoration Fund - Use of Funds - Municipal Wastewater Facilities - Sunset Repeal*, repeals the termination date for allowing the use of Bay Restoration Funds for connecting septic systems to the public wastewater utility.

# **Economic Development**

Several noteworthy bills passed on the economic development front. The first was a key priority of the County and relates to the University of Maryland's Institute of Health Computing (IHC), co-led by the University of Maryland College Park and University of Maryland Baltimore, and newly located in North Bethesda. In addition to a \$3 million grant provided in the State capital budget (SB 361), legislation passed that guarantees a State funding stream to support the operations of the Institute. Senate Bill 376, Higher Education - MPowering Joint Steering Council - Funding, mandates a State appropriation of \$1.5 million in fiscal 2026 that increases to \$6 million in fiscal 2029 and beyond, for the MPowering Joint Steering Council to use exclusively for the IHC.

Senate Bill 516, Economic Development - Maryland Aerospace and Technology Commission, creates a new commission within the Maryland Department of Commerce to promote innovation in the fields of space exploration and commercial aerospace. The Commission's charge includes identifying research and funding opportunities for entities in the State, developing a strategic plan, and designating aerospace and technology zones. The Commission is also charged with partnering with local communities to promote the industry and develop educational opportunities. Lockheed Martin, one of the largest aerospace companies in the world, is headquartered in North Bethesda.

Also of interest, <u>HB 1128</u>, *Labor and Employment - Workforce Development - Talent Innovation Program and Fund*, passed for the purpose of increasing access to high-quality job training to help meet skill needs in the State's emerging industry sectors such as cybersecurity,

health care, biotechnology, manufacturing, and artificial intelligence. The Program is administered by the Governor's Workforce Development Board and the Department of Labor Division of Workforce Development. Its initial charge is to create a pilot program focusing on cybersecurity. The Talent Innovation Fund is created to support the program and will be financed with State funds and grants and donations. The Fund may be used to provide grants to employers, higher education institutions, and local workforce development boards. It can be used to support the cost of services and training, subsidize wages, and provide matching funds to secure donations.

#### **Education and Early Care**

As discussed above under the "Operating Budget" section, the General Assembly made a variety of budget and tax related decisions to ensure that the <u>Blueprint for Maryland's Future</u> (Blueprint) was adequately funded through fiscal 2027, including increased taxes on cigarettes, other tobacco products, and electronic smoking devices. In addition, the General Assembly passed two pieces of legislation to address key implementation challenges. <u>House Bill 1426</u>, <u>Education - Blueprint for Marland's Future - Alterations</u>, which was requested by the Accountability and Implementation Board (AIB), addresses a variety of issues. <u>House Bill 1441</u>, <u>Early Childhood Education - Publicly Funded PreKindergarten Programs - Alterations</u>, addresses challenges that have been encountered in implementing full-day pre-kindergarten for 3- and 4-year-olds.

Under current law, the AIB is required to evaluate and recommend legislative changes to the Blueprint as needed to address implementation challenges. House Bill 1426 incorporates AIB recommendations relating to early childhood education, professional development, dual enrollment, career and technical education, and reporting deadlines. More specifically, the bill: (1) allows local management boards and private providers who receive multi-year State grant funding for Patty Centers (Family Support Centers) and Judy Centers (Early Learning Hubs) to use those funds for planning and development in the first year of funding; (2) requires local departments of social services and local health departments to provide to local school systems with the name and contact information for each parent who is provided notice under existing law that their child may be eligible for publicly funded prekindergarten programs; (3) adds nonclassroom teachers, including administrators, principals, assistant principals, and instructional specialists to the list of employees who may receive reimbursement for costs of achieving national board certification, with counties paying one-third of the cost; (4) modifies deadlines for establishing statewide goals for Career and Technical Training outcomes; and (5) modifies the timeline for administering the Kindergarten Readiness Assessment for the 2024-2025 school year.

House Bill 1426 also addresses a key financial challenge regarding College and Career Readiness (CCR) pathways. Under current law, beginning with the 2023-2024 school year, each county board must provide all students with access to specific post-CCR pathways at no cost. One of those pathways allows a student to access dual enrollment at a student's high school and community college. Local school systems are provided funding to pay for community college

courses under a formula that pays an amount per student who qualifies as CCR-ready. However, current law also provides that post-CCR pathways are open to all students until the AIB declares the Blueprint fully implemented, after which only CCR-ready students may access post-CCR pathways. To address this mismatch between the number of eligible students who may take dual enrollment courses and the funding formula, the bill authorizes the State Board of Education and AIB, in consultation with local school systems, to limit the number and types of courses for which a student may be dually enrolled for fiscal 2025 through 2027.

The legislature adjusted many elements of the publicly funded prekindergarten program requirements that were established as part of the Blueprint over the past five years. House Bill 1441, Early Childhood Education - Publicly Funded Prekindergarten Programs - Alterations, differentiates for the first time between teacher qualifications for public providers and private providers. Beginning in the 2027-2028 school year, public provider teaching assistants will be permitted to have five years of documented teaching assistant experiences as a qualification. Beginning in the 2025-2026 school year, private prekindergarten providers are to meet the requirements of the early childhood educator career ladder established by House Bill 1441 instead of the existing requirements now aligned only with public prekindergarten providers. The bill directs the Maryland State Department of Education (MSDE) to develop an early childhood educator career ladder for eligible private providers by July 1, 2025. Generally, the educational requirements for public providers will now be higher than those for private providers, while private providers will have to demonstrate longer experience in prekindergarten classrooms as a qualification than will public providers. For more detail, compare the public provider career ladder in the Education Article at § 6-1002 with the early childhood educator private provider ladder in House Bill 1441 at Education Article 7-1A-08.

The bill extends the Prekindergarten Expansion Grant Program from 2025 until 2029. It also adjusts downward the number of prekindergarten private provider slots from a benchmark of 30% in the 2022-2023 school year to 10% by the 2024-2025 school year and makes concomitant adjustments to the timeline so that 50% of prekindergarten slots will be available from private providers by the 2028-2029 school year. The bill allows county boards of education who do not meet the timeline to apply for a waiver if the county board demonstrates to the MSDE that it has made a good faith effort to fully embrace the mixed prekindergarten delivery system, and it allows for the exclusion of Tier I children, those from the lowest income families, from enrollment counts by two years when calculating enrollment in private provider prekindergarten programs. House Bill 1441 also allows county boards to apply for funding from the Interagency Commission on School Construction Capital Improvement Fund for assistance on renovation to public facilities leased as eligible public prekindergarten programs. The bill also extends the required funding in the state budget for Maryland Child Care Credential Program for two additional years.

MSDE will establish prekindergarten provider hubs throughout the state to encourage as many providers as possible to into the state's prekindergarten delivery system by providing assistance and training to providers and child care centers.

In addition to current requirements, the bill alters the requirements to qualify for funding from the Child Care Career and Professional Development Fund. An individual must commit to work in an approved child care setting for at least 20 hours per week for a period of time determined by the Office of Child Care within MSDE after completing the course of study. Awards must be prioritized to the following applicants: (1) an applicant who has not completed any college courses from an accredited college or university; and (2) an applicant who attends or has been accepted by an accredited college or university that offers native language or bilingual coursework in early childhood education or a related field. For each of fiscal 2026 through fiscal 2030, the Governor must appropriate to the fund an amount that is at least equal to the amount appropriated in the prior fiscal year.

One of the key initiatives of the Maryland Association of Counties this year was the passage of a bill to enhance oversight and accountability for federal, State, and local funding in local school systems to ensure sufficient structure and clarity to enable counties to fully assess how public funds support educational outcomes during the budget process, throughout the fiscal year, and over the long haul. House Bill 1115/Senate Bill 1026, County Boards of Education - Budgets - Notice (Transparency in Education Spending Act), requires the State Board of Education to adopt a process for the uniform reporting of information in a county board budget to a county governing body in a timely manner. The bills also add three new major categories of funding that must be included in a school system budget: (1) current funds held in reserve; (2) the amount of any federal funds received in the last fiscal year; and (3) the amount of funds held in trust or otherwise dedicated toward long-term obligations for retiree health care costs or other postemployment benefits, and information used to calculate the county board's obligation for those costs.

The General Assembly's focus on housing issues this session included passage of <u>HB</u> <u>428/SB 370</u>, *Community Schools - Rental Assistance for Community School Families Program and Fund - Establishment*, the provides assistance for relocation, rent, and utility expenses to eligible student households in community schools. The fiscal 2025 budget includes \$10 million for the program. This bill is discussed in more detail below under the Housing section of this document.

House Bill 785/Senate Bill 738, Freedom to Read Act, is a response to increasing efforts locally and nationally to restrict or ban access to books and other materials in public libraries, especially in elementary and secondary schools. The bills are emergency measures and will take effect immediately upon signature by the Governor. The bills prohibit school libraries, regional resource centers, and local libraries that receive State funding from removing material from their catalogues because of: (1) the origin, background, or views of the author; or (2) partisan, ideological., or religious disapproval. Receipt of State funding for regional resource centers and local libraries is contingent on adopting a written policy for operation of the resource center or library that is consistent with these fundamental standards. For school libraries, each school system must develop a policy and procedures to review objections to materials in the school library media program that: (1) include a uniform process to submit an objection; (2) require materials under review to remain available for use by students and school personnel until the

review process has concluded; and establish a reasonable timeline to conduct and conclude the review process in a timely manner. The bills prohibit retaliation against any school library, regional resource center, or other library employee who performs his/her duties consistent with adopted written policies.

#### **Health and Human Services**

House Bill 728/Senate Bill 705, Health Insurance - Qualified Resident Enrollment Program (Access to Care Act), will enable many Montgomery County residents who currently receive health care from the County-funded Montgomery Cares programs to obtain health insurance coverage from the Maryland Health Benefit Exchange (MHBE). Under the bills, if approved by the Centers for Medicare and Medicaid Services, MHBE must establish a Qualified Resident Enrollment Program and request federal pass-through funding to allow "qualified residents" to obtain coverage through MHBE. "Qualified residents" are individuals, including minor children, regardless of immigration status, who at the time of enrollment: are seeking to enroll in a qualified health plan offered through the MHBE; are residing in the State; are not incarcerated, other than incarceration pending disposition of charges; and are not eligible for the federal premium tax credit, the Maryland Medical Assistance Program, Medicare, the Maryland Children's Health Plan, or employer-sponsored minimum essential coverage. Regulations to implement the program must be enacted by January 1, 2026.

House Bill 576/Senate Bill 453, Mental Health - Assisted Outpatient Treatment Programs, will enable a new-to-Maryland treatment option for people with mental illness, which will likely help move patients more efficiently from highly in-demand inpatient treatment beds into other appropriate care for their mental illness. For the first time, the bills establish assisted outpatient treatment programs in Maryland, which is one of the last states in the country to offer this type of treatment for mental illness diagnoses. Assisted outpatient treatment will be a specific program of outpatient treatment for serious and persistent mental illness to which an individual will be ordered by the court to adhere. Under the bills, an assisted outpatient treatment program will be established in each county by July 1, 2026. A county is authorized to establish its own program and must notify the Maryland Department of Health (MDH) by January 1, 2025, regarding whether the county intends to do so. In any county that does not opt to establish its own program, MDH must establish a program in the county.

House Bill 1143, Emergency Medical Services - Maryland Emergency Department Wait Time Reduction Commission - Establishment, builds on the work started over the past year by a workgroup facilitated by the Maryland Hospital Association. The bill establishes the Maryland Emergency Department Wait Time Reduction Commission to address factors throughout the health care system that contribute to increased emergency department wait times. By November 1, 2025, and November 1, 2026, the Commission must report to the Governor and the General Assembly on its activities, findings, and recommendations, including an update on the development, implementation, and impact of the recommended policies and programs developed by the Commission to improve emergency department wait times. It is anticipated that the County could continue to participate in this initiative as the Commission includes a

representative of a local emergency service such as Montgomery County Fire and Rescue Service.

The combination of provisions in the *Budget Reconciliation and Financing Act of 2024* (*BRFA*) (Senate Bill 362) and *Emergency Services - Funding* (HB 1439 and *SB 1092*) increase revenue to support the renowned but underfunded trauma system in Maryland. The system includes University of Maryland Shock Trauma in Baltimore, which treats over 6,000 critically insured patients per year, the State's 10 other trauma centers, Maryland State Police helicopters for airlifts, and fire and rescue training programs and facilities. To address the funding needs, these bills increased the existing surcharge on vehicle registrations by \$23 per year (\$46 for a biennial registration), providing an estimated additional \$105 million per year. From the \$23 increase in the surcharge \$4 is for the Maryland Trauma Physician Services Fund (MTPSF), \$9 is allocated to Shock Trauma, and the balance goes to the Maryland Emergency Services Operation Fund. The MTPSF also is assigned 20% of fine revenue related to impaired driving. These fines are increased through a provision in the BRFA. Provisions governing the operations of the MTPSF were also substantially revised.

House Bill 666, Supplemental Nutrition Assistance Program - State Supplement, lowers the minimum age that a member of a household must be for eligibility for a State-provided supplemental benefit under the Supplemental Nutrition Assistance Program from 62 to 60 years old. The bill also increases the amount of the Supplemental Nutrition Assistance Program benefit that the State is required to provide from \$40 to \$50 per month. A legislative priority of Montgomery County for the 2024 Session was to support legislation that aligns with the advocacy recommendations made in the Montgomery County Strategic Plan to End Childhood Hunger including increasing food financial benefits.

# **Housing and Landlord Tenant**

Governor Wes Moore was successful in his effort to obtain passage of three bills to address Maryland's housing crisis by: (1) incentivizing the construction of housing in desirable areas of the State, HB 538, Land Use - Affordable Housing - Zoning Density and Permitting (Housing Expansion and Affordability Act of 2024); (2) increasing funding for affordable housing, HB 599, Maryland Community Investment Corporation - Establishment (Housing and Community Development Financing Act of 2024); and (3) enhancing protections for the State's renters, HB 693, Renters' Rights and Stabilization Act of 2024.

House Bill 538, Land Use - Affordable Housing - Zoning Density and Permitting (Housing Expansion and Affordability Act of 2024), incentivizes the construction of housing in desirable areas of the State primarily by preempting certain aspects of local land use planning and zoning laws for housing projects that: (1) are located within ¾ mile of a "rail station" (i.e., MARC, Metrorail, Baltimore Metro SubwayLink, Baltimore Light RailLink, or any other passenger rail station) that contain at least 15% affordable housing units; (2) are located on a formerly State-owned campus that contain at least 25% affordable housing units; and (3) are

located on land owned by a nonprofit organization that contain at least 25% affordable housing units.

There are currently no formerly State-owned campuses as defined in the bill located in Montgomery County, so the foreseeable impact on the County relates to the rail station areas and property owned by nonprofits. For projects in those two categories, the bill allows: (1) a project in a single family zone to include middle housing units; (2) a project in a multifamily zone to include mixed use and obtain a 30% density bonus; (3) a project in a nonresidential zone, subject to certain public health criteria, to include mixed use and obtain the highest allowable density for multifamily zones; and (4) a project in a mixed use zone to obtain a 30% density bonus.

The bill defines "affordable" to mean housing costs that do not exceed 30% of a household's income and defines "affordable dwelling unit" to mean that a unit is affordable to households earning 60% or less of the area median income. The term "middle housing unit" is defined to mean a duplex, triplex, quadplex, cottage cluster, or townhouse. The term "cottage cluster" is defined to mean a grouping of not fewer than four detached housing units per acre that have a footprint of less than 900 square feet and include a common courtyard.

At the request of Montgomery County, the bill was amended to address the fact that the County's Moderately Priced Dwelling Unit (MPDU) Program already requires many projects located within a ¾ mile radius of MARC train and Metrorail stations to have at least 15% MPDUs. In addition, MPDUs under County law are more affordable than the "affordable dwelling units" required under the bill because they are available for a lower rent. The language added by amendment applies to projects that are located within ¾ mile of a rail station in counties or municipalities that have inclusionary zoning requirements equal to or exceeding 15% affordable dwelling units. Those types of projects must contain at least 20% affordable dwelling units.

The bill also includes a variety of other provisions intended to increase the State's housing inventory, including: (1) allowing the placement of a new manufactured home or modular dwelling in a single family zone if the home or dwelling meets certain specified criteria, including attachment to a permanent foundation; (2) prohibiting a local jurisdiction from imposing any "unreasonable" limitation or requirement on qualified projects, including limits or requirements relating to height, setback, bulk, parking, loading, or area; (3) limiting the number of public hearings that a local jurisdiction may require for different stages of the project approval process; and (4) creating the position of Historic Property Revitalization Director in the Department of Housing and Community Development to support the State's Smart Growth Subcabinet in creating an inventory of State-owned buildings that are more than 50 years old, determining the highest and best value for the disposition of property, and identifying existing State and federal financing mechanism to support redevelopment.

House Bill 599, Maryland Community Investment Corporation - Establishment (Housing and Community Development Financing Act of 2024), is another component of the Governor's housing package. It will provide financial assistance to low-income communities in the State by

creating the Maryland Community Investment Corporation, which will do all things necessary to qualify as a Community Development Entity and apply for designation as such; apply for an allocation of federal New Markets Tax Credits; and make investments and financial assistance available to low-income communities in the State. The bill also expands the eligible uses of the Strategic Demolition and Smart Growth Impact Fund in the Department of Housing and Community Development to include credit enhancement.

House Bill 693, Renters' Rights and Stabilization Act of 2024, is the third component of the Governor's housing package. It creates an Office of Tenant and Landlord Affairs in the State's Department of Housing and Community Development to educate tenants about their rights and provide resources and referrals and notify authorities regarding housing discrimination and other unfair or illegal housing practices. The bill also creates a right of first refusal for tenants to purchase a residential rental property with three or fewer individual dwelling units under circumstances delineated in the bill. It also limits a landlord's ability to impose a security deposit higher than one month's rent except if the tenant has qualified for utility assistance, the lease agreement requires that the tenant makes payments for utility services directly to the landlord, and the tenant and landlord agree in writing to the amount of the security deposit. In such cases, the security deposit may be equivalent up to two months' rent. The bill also requires the courts to stay the execution of a warrant of restitution of rental property from day to day in the event of severe weather conditions affecting the residential property. Finally, the bill raises the surcharge that the District Court may assess from \$8 to \$43 per summary ejectment (failure to pay rent) cases, with the surcharge revenues deposited as follows: 45% into the Statewide Rental Assistance Voucher Program; 45% into the Maryland Legal Services Corporation Fund; and 10% into the Rental Assistance for Community Schools Families. The bill also increases the maximum surcharge in other civil cases as follows: (1) from \$18 to \$28 for cases in the District Court, other than in summary ejectment cases; and (2) in the circuit courts, from \$55 to \$85. Surcharge revenues from these cases continue to be deposited into the Maryland Legal Services Corporation Fund.

House Bill 17/Senate Bill 274, Charter Counties - Comprehensive Plans - Affirmatively Furthering Fair Housing, requires Montgomery County and other charter counties and code counties that exercise land use powers under the Express Powers Act to affirmatively further fair housing through their housing and urban development programs. The bills also require the counties to include an assessment of fair housing in the housing element of a comprehensive plan enacted or amended on or after January 1, 2025. On request of a county, the Maryland Department of Planning, in consultation with the Department of Housing and Community Development, must provide technical assistance for the purpose of developing the housing element of the comprehensive plan.

House Bill 823, Fire Protection and Prevention - Residential Rental Property - Requirements (Melanie Nicholle Diaz Fire Safety Act), among other protections would require smoke detection equipment to be installed in each interior public corridor accessible by units in a residential high-rise building by July 31, 2025. Beginning July 1, 2024, the owner of a residential rental high-rise building that is not protected by a complete automatic sprinkler

system must post notice at all main building entrances and by July 1, 2025, include in any lease agreement a conspicuous warning to residents that the building is not protected throughout by a complete automatic sprinkler system. Information about fire safety and building evacuation must also be given to tenants at the commencement of their tenancy and every two years thereafter. The protections required by the bill could have helped slow the devastating fire in 2023 at a Silver Spring high-rise apartment complex that displaced over 400 residents, led to the hospitalization of 20 people including firefighters responding to the incident, and caused the tragic death of 25-year-old Melanie Diaz and her two dogs, for whom the bill is named.

House Bill 372/Senate Bill 354, Montgomery County and Prince George's County - Rent Court Workforce Solutions Pilot Program, are innovative pilot programs to provide resources to individuals facing failure to pay rent cases will be implemented in Montgomery and Prince George's counties. The programs will provide individuals in failure to pay rent cases with workforce resources and information on workforce development, registered apprenticeships, and other employment opportunities. In fiscal 2026 through fiscal 2028, the Governor must include in the annual budget bill an appropriation of \$200,000 to be used for the pilot program.

Another bill to protect tenants is HB 1117, Landlord and Tenant - Failure to Repair Serious and Dangerous Defects - Tenant Remedies (Tenant Safety Act of 2024), establishes that a landlord that offers a dwelling unit for rent is deemed to warrant the dwelling "fit for human habitation" and if the landlord breaches the warranty of habitability, remedies such as bringing an action of rent escrow to pay rent into court and refusing to pay rent are available to the tenant. The bill establishes additional remedies if a landlord fails to repair serious and dangerous defects. Remedies created by the bill include authorizing multiple tenants to join as plaintiffs in actions based on a breach of the warranty of habitability or the failure of a landlord to repair serious and dangerous defects.

A County priority for enactment this Session, <u>HB 7</u>, *Housing Innovation Pilot Program and Housing Innovation Fund - Establishment (Housing Innovation Pilot Program Act of 2024)*, establishes a Housing Innovation Pilot Program and concomitant fund to provide loans for local housing authorities and county governments to develop mixed-income, cross-subsidized housing. The Fund is to be used to provide low- or no-interest loans to local housing authorities or to county governments partnering with housing developers through the Housing Innovation Pilot Program. For fiscal 2026 through fiscal 2029, the bill enables the Governor to include in the operating or capital budgets an appropriation of \$5,000,000 to the Fund. The final version of the bill removes county matching fund requirements for the loans issued through the Program.

The legislature created a new rental assistance program with the enactment of HB 428, Community Schools - Rental Assistance for Community School Families Program and Fund - Establishment. The Rental Assistance for Community School Families Program and Fund will provide rental assistance to eligible student households at community schools. Eligible student households under the bill are those that are housed in a rental property, where at least one household member is at risk of homelessness or housing instability, as evidenced by past due rent or utility notices, unsafe living conditions, or where at least one member qualifies for

assistance under the federal McKinney-Vento Homeless Assistance Act. Payments under the Program can be used for rental payments and arrears, fines or fees, utility payments and arrears, and relocation expenses. A student's household may receive support from the Program for up to 12 months plus a one-time 3-month extension. The Governor may include in the budget an annual appropriation of \$10,000,00 for the Fund; up to 10% of this funding may come from the increased surcharge that the District Court may assess in summary ejectment (failure to pay rent) cases under the newly passed HB 693, Renters' Rights and Stabilization Act of 2024.

# **Local Autonomy**

A serious consumer protection issue relating to predatory towing arose with the introduction of HB 514/SB 107, Commercial Law - Statutory Liens - Motor Vehicles Towed or Removed from Parking Lots. The bills would have created a "possessory lien" for towing companies that would give them legal authority to refuse to return a car when the owner is not able to immediately pay towing and storage costs. Towing companies argued during debate on the bills that this practice was already legal and that the bills were simply codifying existing common law. Montgomery County's Office of Consumer Protection (OCP) took the lead in opposing these bills and argued that a possessory lien does not exist at common law and that the bills would undermine existing State and local consumer protection laws that govern private towing practices. Montgomery County has an unfortunate history with predatory towing and has enacted its own local laws that go beyond consumer protection requirements under State law.

The lead proponent of the bills was Henry's Wrecker Service (Henry's), an out-of-State company headquartered in Virginia that is in the portfolio of an out-of-State management and investment company based in Pennsylvania. Like most towing companies in Maryland, Henry's has a longstanding practice of entering into contracts with property owners to tow cars that are illegally parked in private parking lots and then refusing to return a car to the owner until she/he pays towing and storage fees. From a consumer protection perspective, this is a troubling practice because it allows the company to act as judge, jury, and jailer regarding the factual question of whether a car has been legally towed. A predatory company that tows illegally can keep the car until the owner pays towing and storage fees or otherwise seeks legal redress through the courts. Even in the case of a legal tow, OCP believes that towing companies should not be allowed to keep possession of a car when the owner cannot afford to immediately pay for towing and storage costs. OCP stressed the negative impact on lower income residents and likely disproportionate impact on people of color.

Henry's is currently the defendant in a class action suit filed in 2022 that is pending in federal district court in which the plaintiffs are challenging the legality of Henry's practice of refusing to return cars. Specifically, plaintiffs are asserting that Henry's practice is illegal because a possessory lien does not exist under Maryland common law or statutory law. The lead plaintiff in that case is a Montgomery County resident and the plaintiff's lawyer is seeking to certify a class that includes more than 27,000 Montgomery County residents. In essence, Henry's was seeking passage of HB 514/SB 107 because there is no existing legal authority to

justify its longstanding practice and enactment of the bills (which initially included a retroactivity clause) would have circumvented the pending federal litigation.

Separate from the policy question of whether possessory liens serve the public interest, OCP identified constitutional deficiencies in the bills because they did not include necessary due process requirements, including notice and opportunity for a prompt hearing. One amendment offered by Henry's would have imposed the burden of meeting the constitutional due process requirements on local governments. Although the Senate passed SB 107 (with an amendment deleting the retroactivity clause), OCP worked successfully with Montgomery County legislators in the House of Delegates to oppose the bills and both of them died because the House Environment and Transportation Committee never voted on them.

House Bill 501/Senate Bill 522, Charter Counties - Enforcement of Local Laws, expanded the enforcement authority of charter counties regarding civil and criminal violations by modifying the express powers granted to charter counties under the Maryland Constitution. Currently, under the Express Powers Act, a charter county may provide for the enforcement of local laws by imposing civil or criminal fines of up to \$1,000 and, for criminal violations, imprisonment not exceeding six months. Under other provisions of State law, charter counties may enforce: (1) local fair housing laws with fines or penalties that do not exceed those provided in the federal Fair Housing Act for enforcement of similar federal laws; and (2) local employment discrimination or public accommodations discrimination laws with civil fines not exceeding \$5,000. House Bill 501/Senate Bill 522 modified the Express Powers Act to increase maximum civil and criminal fines from \$1,000 to \$5,000.

# **Public Safety**

#### Automated Traffic Enforcement

Two local bills that would have authorized the County to expand its speed camera program did not advance this Session. House Bill 665 (MC 15-24), Montgomery County - Speed Monitoring Systems - High-Risk Highways, and HB 612 (MC 10-24), Montgomery County - Highways - Maximum Speed Limits, were overwhelmingly passed by the House but failed to advance in the Senate. HB 665 would have allowed for the placement and use of speed cameras on County roads identified in the County's Local Strategic Highway Plan (or Vision Zero Action Plan) as roads that are at high risk for vehicle crashes resulting in bodily injuries or death. Speed camera revenue would be used for safety studies and safety-related projects on the high-risk roads. House Bill 612 would have repealed the requirement that Montgomery County and municipalities in the County perform an engineering and traffic investigation before lowering the maximum speed limit on a highway. The bill would have also permitted the County to deploy new speed cameras after one year on portions of roads for which the speed limit has been decreased. Automated traffic enforcement has proved effective in reducing dangerous driving behavior. The County will revisit the issue again next year.

Maryland has seen a spike in roadway fatalities over the past five years – including those occurring in work zones. The March 2023 work zone crash on the Baltimore beltway, which took the lives of six road workers, prompted the introduction and passage of HB 513, Motor Vehicles - Work Zone Speed Control Systems - Revisions (Maryland Road Worker Protection Act of 2024). Notably, the legislation creates a five-tier graduated penalty for fines issued from speed cameras in work zones on State and local roads and requires enhanced signage and warning lights at work zones. Drivers exceeding the speed limit by between 12 and 15 mph in a designated work zone would receive a \$60 ticket with the amount gradually increasing to \$500 for speeding in excess of 40 mph or more over the posted speed limit. Cameras will operate in work zones at all hours, and automated fines will be doubled when workers are present.

#### Bicycle Safety

The National Highway Traffic Safety Administration recently reported the highest number of cyclist deaths from traffic crashes since the federal agency began collecting road fatality data in 1975. Locally, the fatal collision in 2022 involving a bicyclist and a commercial truck driver who crossed a designated bike lane along River Road in Montgomery County prompted the introduction and passage of HB 337/SB 315, Vehicle Laws - Bike Lanes and Shoulders - Yielding Right-of-Way (Sarah Debbink Langenkamp Memorial Act). Current law for failing to yield to a cyclist in a bike lane is a misdemeanor that carries a fine of up to \$500. As adopted, the bills increase the penalties to jail time for up to two months and/or a maximum fine of \$2,000 for a driver who fatally crashes into or seriously injures a cyclist in a designated bike lane or shoulder.

#### Cannabis Reform

A key priority for the General Assembly during last year's Session was enactment of Cannabis Reform legislation that established a licensing and regulatory system for growers, processers, dispensaries, incubators, and on-site consumption establishments. Senate Bill 516/Chapter 255 of 2023 prohibited dispensaries from being located within 500 feet of a school, licensed childcare center, registered family childcare provider, playground, recreation center, park, or library and required dispensaries to be located at least 1,000 feet apart. However, local jurisdictions were authorized to reduce the 500 feet and 1,000 feet distance requirements. Local jurisdictions also retained authority for "reasonable" zoning requirements that did not "unduly burden" a cannabis licensee.

This year, the General Assembly passed HB 805, Cannabis - Licensee Locations - Restrictions, to modify the existing distance and zoning requirements. For dispensaries, the bill: (1) adds places of worship to the list of facilities to which the 500 feet buffer applies; (2) authorizes local jurisdictions to establish a buffer of up to 100 feet from an area zoned for residential use or to establish the same buffer from residential areas that is applied to alcohol retailers in their respective jurisdiction; and (3) authorizes local jurisdictions to increase the 1,000 feet distance limitation between dispensaries to up to one-half mile. The bill also defines the term "unduly burden" in the context of zoning requirements to prohibit any requirement that is more restrictive than zoning requirements that are applied to alcohol retailers. For growers

who are licensed to cultivate cannabis exclusively outdoors in an area zoned for agricultural use, the bill prohibits a local jurisdiction from: (1) adopting any zoning requirement that is more restrictive than zoning requirements that apply to hemp farms; and (2) prohibiting outdoor cannabis cultivation on premises that were zoned for outdoor cannabis cultivation on or before June 30,2023. The bill also establishes a process for residents and businesses to protest the renewal of a cannabis license under certain circumstances.

#### Drunk Driving

For six years, advocates for enhanced drunk driving laws have lobbied Annapolis to close the loophole in the Drunk Driving Reduction Act of 2016 (Noah's Law) which limited mandatory participation in Maryland's Ignition Interlock Program to individuals convicted of drunk or drugged driving. Their efforts were finally rewarded with the passage of HB 105, Drunk Driving Offenses - Ignition Interlock System Program. Under the bill, both convicted drivers and offenders granted probation before judgment for offenses related to drunk or drugged driving will be required to participate in the State's Ignition Interlock System Program. To conform with the State's trend toward expanding expungement access as a tool for promoting equality, a provision was added to the bill to allow expungement of the offense after 15 years from having completed the ignition interlock program.

#### Fentanyl

In response to an increased number of fentanyl overdose deaths in Maryland, bipartisan legislation to address criminal penalties and prosecutions was considered, but not adopted, this Session. For individuals convicted of distributing heroin or fentanyl resulting in the death or serious bodily injury of another, HB 1245/SB 1075, Criminal Law - Distribution of Heroin or Fentanyl Causing Serious Bodily Injury or Death (Victoria and Scottie's Law), would have increased jail time from 10 years to up to 20 years in alignment with federal law. Further, the bills would have allowed for the prosecution of a person to be brought in either the county where the drug distribution violation took place or in the county where the resulting drug-induced death occurred. Despite compelling testimony from affected families, joined by local elected officials and law enforcement, the bills did not advance before the Session's conclusion and will need to be revisited next year.

#### Judges and Election Workers

In the wake of the tragic murder of Judge Andrew F. Wilkinson, a Maryland circuit court judge for Washington County, the General Assembly passed HB 664/SB 575, Court Personnel - Protection of Personal Information (Judge Andrew F. Wilkinson Judicial Security Act). Judge Wilkinson was shot and killed in the driveway of his home by an individual over whose divorce and custody case he had presided earlier that day which had included extensive testimony about abuse inflicted on the individual's ex-wife and her children. According to the National Center for State Courts the murder of Judge Wilkerson was the third targeted shooting of a state court judge in the last three years. The preamble in the bills note that protecting the safety and security of judicial officers throughout the State and the country has become an issue of critical

importance due to threats, assaults, and murders of judicial officers and their family members. Similar federal legislation intended to protect federal judges and their families was recently enacted (The Daniel Anderl Judicial Security and Privacy Act) following the murder of the son of a federal judge.

House Bill 664/Senate Bill 575 establishes the Office of Information Privacy (OIP) in the Administrative Office of the Courts. A "protected individual" is defined to mean an active or retired judge, magistrate, or commissioner of any State or federal court or that individual's spouse, child or dependent. The bills set up a process for a protected individual or the OIP (on behalf of a protected individual) to ensure that any governmental entity or private individual or entity does not publish, or retracts publication, of any personal information. The term "personal information" is defined to include phone number, home address, email address, social security number, driver's license number, tax identification number, bank account number, credit/debit card number, license plate number, birth or marital record, child's name, school or daycare, place of worship, or place of employment.

Another measure passed by the General Assembly, <u>HB 585/SB 480</u>, *Protecting Election Officials Act of 2024*, is intended to stop the rising number of threats and harassment targeting election officials. Current law prohibits the obstruction of official electoral activities and interference with an election official in the performance of official duties but does not protect an election official who is targeted because of her/his role in administering the election process. House Bill 585/Senate Bill 480 create a new misdemeanor charge for threats of harm against election officials or their families that is punishable by a fine not exceeding \$2,500, imprisonment for up to three years, or both.

#### Juveniles

The Governor, House Speaker, and Senate President joined forces this year to pass a package of juvenile law changes reflected in HB 814, Juvenile Law - Reform, in response to increased public concern about serious crimes committed by youth and the overall effectiveness of the State's juvenile justice system. House Bill 814 modifies the juvenile court's jurisdiction regarding children under the age of 13 and makes extensive changes to the complex processes and programs that make up the State's juvenile justice system.

House Bill 814 expands the juvenile court's jurisdiction to include 10-12 year olds who are alleged to have committed: (1) a variety of firearms violations; (2) aggravated cruelty to animals; or (3) sexual offense in the 3rd degree. The bill mandates the filing of a petition for Child in Need of Supervision for a child between the ages of 10 and 12 who steals a motor vehicle. The bill also modifies rules governing the DJS intake process, informal adjustment, inquiries to and authority of State's Attorneys, actions of law enforcement officials, children taken into custody, prehearing detention, electronic monitoring, probation, referrals to crime prevention and diversion programs, treatment service plans, and registered juvenile sex offenders in public schools. The bill requires that victims of juvenile crime be provided with written information on how to file a complaint with DJS.

Importantly, the bill reflects an understanding that the State lacks sufficient services to help youth who are involved in the juvenile justice system and that the State needs to enhance oversight and accountability throughout the system, including the juvenile court, the Department of Juvenile Services (DJS), law enforcement agencies, State's Attorneys, the Juvenile Justice Monitoring Unit (JJMU) in the Office of the Attorney General, the Governor's Office of Crime Prevention and Policy, the Governor's Office of Children, and the Commission on Juvenile Justice Reform and Emerging Best Practices (CJJREBP).

The bill requires DJS to include the following information in its Comprehensive Three-year Juvenile Services Plan: (1) an extensive array of new information regarding the needs of youth in the juvenile justice system and existing treatment and diversionary programs; and (2) a plan for developing new treatment and diversionary programs, including a program for youth at the highest risk of becoming victims or perpetrators of gun violence. The bill eliminates the State Advisory Board for Juvenile Services and transfers its duties to the CJJREBP, expands the duties and membership of the CJJREBP, expands the duties of the JJMU, and codifies the Governor's Office of Children and Governor's Office of Crime Prevention and Policy. On a related note, the fiscal 2025 State Budget includes \$8 million for gun violence prevention and intervention programs throughout the State and \$10.3 million for community-based services for juveniles and services to families residing in communities with high crime rates.

# Reckless and Aggressive Driving

In response to the serious injury in October 2023 of Montgomery County Police (MCP) Sgt. Patrick Kepp caused by the intentional and dangerous actions of a driver on I-270, Montgomery County requested and secured the sponsorship of a set of bills targeted at enhancing penalties for reckless and aggressive driving. Unfortunately, the bills did not advance this Session.

Under current law, while a person may be charged with reckless endangerment for engaging in conduct that creates a substantial risk of death or serious physical injury, a person engaging in such conduct using a motor vehicle cannot be charged. House Bill 1111/Senate Bill 939, Criminal Law - Reckless Endangerment - Use of Motor Vehicle, would have repealed the motor vehicle exclusion so that charges could be brought. The second set of bills, HB 1160/SB 940, Motor Vehicles - Allowing Unauthorized Use of a Motor Vehicle and Reckless, Negligent, and Aggressive Driving, sought to address reckless and aggressive driving from several different angles. The legislation would have made liable a vehicle owner who knowingly allowed their vehicle to be driven by an unauthorized person who drove recklessly, negligently and/or aggressively and subjected the owner to a penalty of up to \$1,000; would have defined reckless driving as exceeding 90 miles per hour and enhanced the penalty to jail time not exceeding one year or a fine not exceeding \$5,000 or both; would have added jail time not exceeding two months or a fine not exceeding \$3,000 or both; would have expanded the list of driving offenses constituting aggressive driving, reduced from three to two enumerated offenses constituting aggressive driving, enhanced the penalties requiring the offender to appear in court (no prepayment of the fine), required payment of a fine of up to \$1,000 for a first offense, added jail

time of up to two months or a fine of up to \$2,000 or both for a second offense, and increased jail time of up to one year or a fine of up to \$3,000 or both for a third or subsequent offense.

Despite strong hearings in both houses that included in-person testimony from MCP Sgt. Kepp, as well as support from County, State, and national public safety partners, the bills fell short of the finish line and will need to be revisited next year.

#### Street Racing and Noise Pollution

Montgomery County has seen a growing number of reckless car meet-ups and intersection take-overs on State and County roadways. Acts of aggressive driving by motorists who deliberately modify their vehicles to increase engine performance and power have resulted in increased traffic safety risks and harm to communities' health and comfort. In response, the General Assembly passed several bills to prohibit street racing and penalize drivers with disruptively loud vehicles. House Bill 601/Senate Bill 442, Street Racing and Exhibition Driving - Prohibited Acts, Enforcement, and Penalties, increase penalties (including higher monetary fines and possible jail time) and points for violations related to racing or speed contests and exhibition driving. Because the bills expand the possibility of imprisonment for driving in a race or speed contest, prepayment (i.e., admitting guilt and paying the fine without appearing in court) is no longer an option. Offenders must appear in court.

Turning toward innovation to reduce instances of illegal vehicle noise and street racing, the legislature also passed HB 212/SB 155, Vehicle Laws - Noise Abatement Monitoring Systems - Pilot Program. The noise pollution bills authorize Montgomery and Prince George's Counties to establish a two-year pilot program for automated noise abatement monitoring to enforce noise limits on State and local roads. Similar to automated traffic enforcement, automated noise monitoring cameras would be used to capture reckless motorists operating vehicles that exceed outdoor noise level guidelines. Up to three noise abatement monitoring cameras would be allowed for the two authorized counties. The cameras would operate in conjunction with a noise measuring device (such as a decibel reader) to produce two or more photographs, a videotape, or other recorded images of an offending vehicle. A citation would be mailed to the registered owner of the vehicle who would be liable for the citation. A warning would be issued for the first violation, and a \$75 ticket for a second and subsequent violation. Violations would also require the owner to make any necessary alterations to the vehicle to avoid future citations.

#### Vision Zero

Eight years have passed since Montgomery County became one of the first county governments in the United States to initiate a Vision Zero plan. In passing SB 345, Transportation - Vision Zero Advisory Commission - Establishment, the General Assembly expanded the responsibilities of the Vision Zero coordinator within Maryland's Department of Transportation to develop strategies that will advance Vision Zero goals across the State and review locations where at least three fatal crashes occurred in 12 months.

### **Transportation**

While funding for transportation was one of the most hotly debated issues of the 2024 Session, there were a number of other transportation related bills that were meaningful to the County, including the priority of securing a reliable stream of lottery funding to help support the build out of the County's Bus Rapid Transit System (BRT). House Bill 764, State Lottery Fund - Bus Rapid Transit Fund Distribution and Prince George's County Blue Line Corridor Facility Fund - Alterations, was introduced by Delegation members to make the necessary changes so that \$27 million each year, beginning in fiscal 2025, will begin to consistently flow to the BRT Fund and then be granted to the County for its BRT system.

This Fund was created out of legislation enacted in 2022 and 2023 authorizing the diversion of lottery funds to support improvements at the two Baltimore stadiums (Orioles Park at Camden Yards and M&T Bank Stadium) and for development of the Blue Line Corridor in Prince George's County. However, the 2023 legislation left in place a mechanism for release of lottery funds to the BRT Fund that was cumbersome and resulted in no transfer of funds in fiscal 2024. This problem was addressed in House Bill 764, by requiring a direct diversion of lottery funds to the BRT Fund, which is the same methodology used for the other 12 funds that are capitalized via lottery fund diversions. The bill's passage creates certainty that funds will begin to flow to the BRT Fund, consistent with the legislation enacted in 2022 and 2023, and the negotiation that took place in 2022. This in turn will make it possible for the County to leverage the funds it receives to finance its planed BRT system.

The BRT system will also benefit from the passage of SB 943, Vehicle Laws - Bus Lane Obstruction - Monitoring Systems Expansion and Workgroup (Better Bus Service Act of 2024). The legislation will provide a critical and powerful tool to keep bus lanes clear of private vehicles by expanding Baltimore City's authority to use bus obstruction monitoring systems Statewide. State roads in Montgomery County have the highest Metrobus ridership in Maryland. Earlier this year, Montgomery County opened its first bus lane, located along University Boulevard. It is also planning to install bus lanes along Georgia Avenue in Silver Spring later this year. Bus lanes will also be added as part of the County's new BRT FLASH bus service along the Germantown Transit Center and US 29. With these projects, the County has an immediate need for efficient bus lane enforcement. Enabling the use of bus lane monitoring systems will help ensure public transit reliability and performance, thus encouraging transit ridership, and will also support the County's extensive plans for BRT over the longer term.

Funding for the Washington Metropolitan Area Transit Authority (WMATA/Metro) and the County's Ride On bus system will also be helped by the passage of bills that support funding for these two important transportation assets used heavily by transit riders in the County and for Metro, the entire Washington Metropolitan Region. As noted under the "Budget" section of this document, in order to help address the pandemic related operating deficits of WMATA/Metro and avoid service cuts, Maryland is pledged an additional \$150 million for WMATA/Metro in fiscal 2025 and 2026, and \$250 million in fiscal 2027. Because the \$150 million in fiscal 2025 would increase the State's contribution for WMATA/Metro operations by more than 3% over the

prior fiscal year, a statutory provision requiring that 30% of the State's contribution be withheld would be triggered. House Bill 198/Senate Bill 126, Transportation - WMATA Operating Assistance - Alteration (Maryland Metro Funding Act of 2024), delay this withholding requirement until fiscal 2028. Also, to create more funding certainty for the State's Locally Operated Transit Systems (LOTS) program, HB 950, Maryland Transit Administration - Locally Operated Transit Systems - Mandatory Funding, was passed, which requires the Governor to include in the annual budget an appropriation for the LOTS grant program from the Transportation Trust Fund of at least \$80.5 million, beginning in fiscal year 2026. This amount reflects the State funds originally appropriated to the program for fiscal year 2024, which were scheduled to be reduced by 80% for fiscal year 2025, before funds were identified to restore what would have been a devastating funding cut for counties and municipalities that operate transit systems.

#### **Attachments**

Attachment 1 – State Aid Allocated to Montgomery County Attachment 2 – State Grants for Capital Projects in Montgomery County (non-transportation)

Prepared by: Montgomery County Office of Intergovernmental Relations, April 16, 2024

# Montgomery County Local Aid Year-Over-Year Comparison (\$ in thousands)

	Final	Enacted	FY 2025 vs. FY 2024	
Direct Aid	FY 2024	FY 2025	<u>chg. \$</u>	chg. %
Primary & Secondary Education	940,262	979,865	39,603	4.2
Libraries	3,776	3,852	39,003 76	2.0
	75,407	74,313		
Community Colleges Health Formula Grant	*	74,513 5,693	(1,094)	(1.5) 0.2
	5,684	•	9	17.4
Transportation	18,918	22,212	3,294	
County Highway User Formula Funds	10,660	12,547	1,887	17.7
Municipal Highway User Formula Funds	7,879	9,274	1,395	17.7
Elderly and Handicapped	379	391	12	3.2
Police and Public Safety *	19,607	19,169	(438)	(2.2)
Fire and Rescue *	1,939	1,939		-
Total Direct Aid Subtotal	1,065,593	1,107,043	41,450	3.9
Bus Rapid Transit Grant	<u>0</u>	27,000	27,000	
Total Direct Aid Total	1,065,593	1,134,043	68,450	6.4
Retirement - State Defined Contrib. Plans	FY 2024	<u>FY 2025</u>	<u>chg. \$</u>	<u>chg. %</u>
Board of Education	155,963	188,967	33,004	21.2
Library Employees	2,120	1,800	(320)	(15.1)
Community College Faculty	10,464	12,181	1,717	16.4
Total Retirement Contributions	168,547	202,948	34,401	20.4

<sup>\*</sup> these figures include municipality allocations

Sources: Maryland Department of Legislative Services
Montgomery County Office of Intergovernmental Relations

Montgomery County Office of Intergovernmental Relations April 11, 2024



# Montgomery County Capital Projects (Not Included in the Consolidated Transportation Program) Fiscal 2025 and Preauthorizations

Public Schools (IAC 100%)		59,613,301
Crown High School	37,761,971	
Dr. Charles Drew Elementary School	3,049,200	
Gaithersburg Middle School	3,267,000	
John F. Kennedy High School	3,044,844	
Meadow Hall Elementary School	346,500	
Montgomery Blair High School	1,541,430	
Northwood High School *	1,287,704	
Spark M. Matsunaga Elementary School	2,831,400	
Springbrook High School	3,158,100	
Walt Whitman High School	2,722,500	
	_,,000	
Aging Schools Programs	602,652	
Environment		17,463,440
Glen Echo Stormwater Restoration	150,000	
Linden Lane Contaminated Groundwater Assessment Clean-up	150,000	
Parkwood Water Main Replacement	11,098,000	
Rockville Water System Improvements	6,065,440	
Health Facilities		6,039,000
Chinese Culture and Community Service Center, Inc. Health Center	25,000	0,039,000
EveryMind Headquarters	250,000	
Holy Cross Hospital	2,000,000	
Jewish Social Service Agency Mobile Mental Health Unit	100,000	
MedStar Montgomery Medical Center	1,100,000	
Montgomery Hospice and Prince George's Hospice's inpatient Casey House	50,000	
Shady Grove Medical Center Winter Growth	2,500,000	
Willer Growth	14,000	
Higher Education Facilities		6,336,000
Biohub Maryland	500,000	
Institute for Health Computing **	3,000,000	
Montgomery College, Germantown Campus Student Services Center **	1,836,000	
Montgomery College, Rockville Campus Library	1,000,000	
Housing and Community Development		15,787,000
Community Support Services, Inc. Community Resource Center Dev.	2,837,000	, ,
Holiday Park Senior Center	1,500,000	
Interfaith Works Women's Center at Crabb's Branch Shelter	350,000	
Leeland Property in Takoma Park	100,000	
Leisure World of Maryland Healthy Community Initiative	250,000	
National Capital Strategic Economic Development Fund	,	
1910 University Senior Housing	1,000,000	
Burtonsville Crossing Shopping Center	2,000,000	
Childrens' National Hospital Tech Hill Pharmacy	1,000,000	
Redev. of 11255 New Hampshire Ave. Block (White Oak Sears' Building)	2,000,000	
Unallocated Funds	4,000,000	
Makom Upcounty Expansion	150,000	
Rainbow Place Shelter	400,000	
Takoma Park Community Center	200,000	
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Libraries		957,000

Damascus Library 957,000

Parks, Recreation, and Land Preservation		13,641,056
Program Open Space	5,821,255	
Bowie Mill Road New Bike Trail **	2,100,000	
Bohrer Park	300,000	
Centerway Local Park	150,000	
Dalewood Drive Playground	25,000	
David Scull Park	250,000	
Fairland Recreational Park	500,000	
Johnson's Local Park	50,000	
Kensington St. Paul Park Playground	177,801	
McKee-Beshers Wildlife Management Area	350,000	
Merrimac Neighborhood Park	150,000	
Montgomery County Recreational Facilities Playgrounds	1,400,000	
Olney Boys and Girls Club Performance Sports	250,000	
Seneca Greenway Trail	100,000	
Stonehedge Local Park	350,000	
Strider Wildlife Management Area	200,000	
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Yeshiva of Greater Washington	92,000	
Walder Park	25,000	
Montgomery County Local Public School Playgrounds		
Bel Pre Elementary School	150,000	
Damascus High School	100,000	
Eilson Wims Elementary School	150,000	
Farmland Elementary School	150,000	
Gaithersburg Elementary School	150,000	
Little Bennett Elementary School	50,000	
Oakland Terrace	150,000	
Sherwood High School	150,000	
Springbrook High School	150,000	
Watkins Mill Elementary School	150,000	
Public Safety		2,247,000
Montgomery County Criminal Justice Complex	1,897,000	
Wheaton Volunteer Rescue Squad	350,000	
The many and addition		2 700 000
Transportation Mill Out in the	500.000	3,780,000
Boyds Transit Center Historic Hoyles Mill Station	500,000	
Damascus Sidewalk Repair	30,000	
Inter-County Connector Sound Barriers	250,000	
North Bethesda Metro Station Access Improvements **	3,000,000	
Other Legislative Initiatives		7,075,000
Bethesda Meeting House	150,000	
Damascus Heritage Society Museum	75,000	
Don Bosco Cristo Rey High School	1,000,000	
Direct Support Professional Training Academy at Jubilee Association of MD	550,000	
Friends House Retirement Community	200,000	
Garrett Park Town Hall	300,000	
Identity Headquarters and Community Center	1,000,000	
Ivymount Cyber Security	200,000	
Oakdale Church	50,000	
Quality Time Annex	25,000	
Riverworks Art Center	100,000	
Round House Theatre	150,000	
Sandy Spring Slave Museum and African Art Gallery		
	40,000	
Scotland AME Zion 2nd Century Project	100,000	

Solar-Resiliency Project and Multi-lingual Daycare-Aftercare	300,000
Smithville School Museum and Education Center	800,000
St Mark's Church	70,000
Strathmore Hall Performing Arts Center	750,000
The Diener School Inc.	440,000
Town of Brookeville	500,000
Town of Kensington Public Art Murals	50,000
Watkins Mill High School Concession Stand	100,000
YMCA Silver Spring	125,000

Grand Total <u>132,938,797</u>

- \* Includes \$9.4 million in Enrollment Growth and Relocatable Classrooms (EGRC) funds
- \*\* Projects preauthorized in prior year's State budgets

Montgomery County Office of Intergovernmental Relations

April 16, 2024



# 2024 Session Preauthorizations for Fiscal 2026

Bowie Mill Bike Trail	2,100,000
Don Bosco Cristo Rey High School	1,000,000
Olney Boys and Girls Club Performance Sports Center	1,000,000
Shady Grove Medical Center	3,000,000
Viva White Oak	6.000,000
White's Ferry Project	1,500,000