MONTGOMERY COUNTY DELEGATION ANNOUNCES 2017 SESSION ACCOMPLISHMENTS FOR THE COUNTY

ANNAPOLIS – The 32-member Montgomery County Delegation to the Maryland General Assembly today announced its 2017 legislative accomplishments for the County.

Overview

The 2017 Session got off to an unusual start, influenced by the transition of power in Washington and warm winter weather. However, the pace picked up considerably by mid-March, which allowed the Legislature to finalize its operating and capital budgets on an expedited schedule and pass several controversial bills in time to allow for veto overrides before adjourning Sine Die. Looking back, the number of bills filed during the 2017 Session ended up breaking last year's record. Many of those bills addressed high profile policy issues, including some in direct response to changes occurring at the Federal level. Again this year, the Montgomery Delegation took on key leadership roles in numerous fiscal and policy matters that will benefit State residents and businesses in the near term and for years to come.

The General Assembly presented 27 bills to the Governor for signature during session. The Governor signed eleven bills, let fifteen bills become law without his signature and vetoed one bill known as the Protect Our Schools Act (<u>HB 978</u>) (discussed more below). This bill became law when the General Assembly voted to override the Governor's veto.

Budget

Despite the State's recurring fiscal challenges, the operating and capital budgets passed early and without controversy. Overall, State aid directed to Montgomery County will increase from \$754 million to \$782 million, or by \$28 million. The County's public K-12 education system will be the direct beneficiary of most these funds, which are mandated and distributed among the State's 24 school systems based on student wealth.

Montgomery County did well in the State's capital budget this year, with funding for new non-transportation capital investments in the County totaling almost \$195 million. This amount includes State funds for health facilities, the County's pre-release detention center, housing projects, utilities infrastructure, and thirty smaller community projects benefitting the arts and other cultural amenities as well as parks and recreational facilities.

Most of these State capital grants will be spent on improving public K-16 infrastructure within the County borders. Although the allocation of funds through the State's public school construction program is not complete, the Delegation helped shepherd \$56 million to Montgomery County Public Schools so far. At least \$10 million of this amount can be directly attributed to the Delegation's advocacy for including additional funds in a new program that

targets funding for school systems that have significant enrollment growth. In addition, all three Montgomery College campuses will benefit from State capital grants along with two County libraries. Finally, funds to complete construction of the fourth building at Universities at Shady Grove were also provided.

Federal Affairs

The Session was significantly impacted by changes occurring at the federal level and serious concerns about federal action or inaction in numerous areas.

Powers of the Attorney General

In the wake of President Trump's Executive Order of January 27, 2017, restricting travel into the United States by refugees and visitors from seven countries, the President and Speaker signed a Joint Resolution on February 15, 2017, which gave the Attorney General immediate authority to sue the federal government to: ensure the availability of affordable health care; safeguard public safety; protect civil liberties; protect the financial security of residents, including pensions, savings, investments, mortgages and student loans; protect against fraud and deceptive practices; protect the natural resources and environment of the State; and protect against illegal and unconstitutional federal immigration and travel restrictions (HJ 5/SJ 5).

In a separate bill, the General Assembly required the Governor to include a \$1 million appropriation in the FY19 State budget, and each subsequent annual budget, to be used by the Attorney General to pursue legal remedies against the federal government (HB 913/SB 665).

Planned Parenthood, Affordable Health Care Act and Dodd-Frank

The General Assembly directly addressed three specific proposals made by the Trump Administration by passing legislation that (1) authorizes the State to reimburse Planned Parenthood and other family planning clinics for their services if Congress defunds these programs (HB 1083); (2) establishes a Maryland Health Insurance Coverage Protection Commission to monitor federal changes to the Affordable Care Act and other federal health care programs (SB 571); and (3) establishes a Maryland Financial Consumer Protection Commission to assess the impact of potential changes to federal financial industry laws, regulations, budgets and policies (*e.g.*, Dodd-Frank law) (SB 884). These three pieces of legislation, as well as the Attorney General legislation referenced above, were sent to the Governor during session and became law without his signature.

Immigration Enforcement

The Trump Administration's changes to immigration enforcement policies and aggressive efforts by Immigration and Customs Enforcement (ICE) to obtain the assistance of State and local governments in enforcing federal immigration laws led to significant debate about the appropriate parameters of State and local participation in federal immigration enforcement efforts. The Maryland Law Enforcement and Governmental Trust Act would have established restrictions on the extent to which law enforcement and correctional officers may

inquire about immigration status or respond to inquiries and detainers coming from ICE (<u>HB</u> 1361/SB 835). The House narrowed the scope of this bill significantly and the Senate Judicial Proceedings Committee narrowed it even further and attached the provisions to another bill dealing with U Nonimmigrant Visas (which are available to victims of crime who help law enforcement officials) (<u>SB 616</u>). However, this bill never made it beyond 2nd reader in the Senate.

Constitutional Convention

After discussing significant concerns about the national political climate, the General Assembly rescinded numerous prior "calls" for a federal constitutional convention to consider amendments to the United States Constitution relating to federal taxing power, size and boundaries of congressional districts, apportionment of State legislative bodies, prayer in public schools and a balanced federal budget (HJ 2/SJ 2). It takes 34 states to call a convention. At the beginning of the 2016 Session, 28 states (including Maryland) had "open calls" for a convention. The General Assembly's decision to rescind its prior calls reflects a deep fear that a constitutional convention in the current climate could reverse progress in many areas, including the areas that the Attorney General has now been given authority to protect.

Employee Benefits

Paid Sick Leave

After considering similar proposals in four prior legislative sessions, the General Assembly passed legislation this year requiring an employer with more than 14 employees to have a sick and safe leave policy under which an employee earns at least 1 hour of *paid* sick and safe leave for every 30 hours an employee works (HB 1/SB 230). An employer with 14 or fewer employees, must have a sick and safe leave policy that provides an employee with at least 1 hour of *unpaid* sick and safe leave for every 30 hours an employee works. An employer is not required to allow an employee to earn or carry over more than 40 hours of earned sick and safe leave in a year, use more than 72 hours of earned leave in a year, accrue more than 72 hours at any time, or use earned sick and safe leave during the first 106 calendar days worked. The bill includes a grandfather clause that allows Montgomery County to continue implement its more generous sick and safe leave law.

Minimum Wage

The State's minimum wage law was the subject of significant debate this year but did not result in final legislation. One bill would have implemented the "Fight for Fifteen" goal by increasing the State's minimum wage from \$8.75 to \$15.00 over five years, while allowing the Governor to suspend the phase-in of each annual wage increase based on economic conditions (HB 1416/SB 962). Another bill would have prohibited local governments from modifying or enacting laws relating to minimum wages or employee benefits (HB 317). For Montgomery County, the bill would have prohibited the modification of existing laws relating to minimum wages, sick and safe leave, displaced service workers and employment contracts for domestic workers, in addition to the enactment of new laws regarding any employee benefit.

Education

Protect Our Schools Act

The goal of the Protect Our Schools Act (HB 978), which became law when the General Assembly voted to override the Governor's veto of the bill, is to strengthen Maryland's school accountability system and prevent the types of school privatization programs espoused by the Trump Administration (*e.g.*, charter schools, private management of public schools, vouchers to attend private schools and special statewide "recovery" districts). The bill is also a response to the federal Every Student Succeeds Act (signed into law on December 10, 2015), which includes new requirements governing school accountability and school improvement indicators, including the types of data that must be collected and published regarding failing schools.

Standardized Testing Limits

In an unusual show of bipartisan support, the House and Senate unanimously approved the More Learning, Less Testing Act (<u>HB 461/SB 452</u>). This bill limits mandated testing to 2.2% of the school year, or 23.8 hours in elementary and middle schools and 25.7 hours in high schools, except in eighth grade, when the limit is at 2.3% or 24.8 hours. The enactment of this bill reflects continued dissatisfaction with the emphasis on testing in public schools and the failure to close achievement gaps for the last two decades. The debate on the bill emphasized a desire to refocus time and resources on the kind of learning opportunities that truly help students thrive in school. According to MSDE data from last year, students in 14 Maryland school districts took 30 hours or more of standardized testing. The average Maryland student takes more than 200 standardized tests during their time in school, taking away 250 hours from instruction

Universal Prekindergarten

An emergency bill that was sent to the Governor during session and allowed to become law without the Governor's signature establishes a Workgroup to Study the Implementation of Universal Access to Prekindergarten for four-year-old children (HB 516). The Workgroup is required to report its findings and recommendations to the Commission on Innovation and Excellence in Education (Kirwan Commission) by September 1, 2017. The Workgroup's recommendations must include an implementation plan for making quality, full–day prekindergarten universally available to 4-year old children.

Disciplinary Practices for Young Students

Reflecting a desire for local school systems to use restorative practices with young students as an alternative to traditional school disciplinary practices, the General Assembly passed a bill that generally prohibits the suspension or expulsion of students in pre-kindergarten, kindergarten, first grade or second grade (HB 425/SB 651). The bill also requires local school systems to provide intervention and support services to disruptive students in these grades, regardless of whether they are suspended or remain in the classroom.

Adult High School Pilot

The Maryland State Department of Education (MSDE) and Department of Labor, Licensing and Regulation (DLLR) are required to jointly administer an adult high school pilot program to provide an alternative method for adults who did not graduate from high school to obtain a high school diploma, postsecondary education credits or industry-recognized certification in an environment that meets the needs of an adult learner (HB 1381/SB 866). MSDE and DLLR may approve up to six pilot projects, each of which may enroll up to 350 students. DLLR and MSDE must give priority to counties or geographic areas where the high school attainment rate is below the State average. They must also consider geographic diversity; for every two pilot sites selected in an urban area, one must be selected in a rural area. Only private, nonprofit entities are eligible to apply for and operate an adult high school pilot program.

Accountability

M-NCPPC - Inspector General

A new Office of Inspector General (OIG) has been created for the Maryland-National Capital Park and Planning Commission (<u>HB 321</u>). The current functions of the existing Office of Internal Audit will be transferred to the OIG. Among other things, the OIG is authorized to conduct independent evaluations and audits to: preserve the Commission's reputation; improve the effectiveness, productivity or efficiency of programs and policies; prevent, investigate and report instances of fraud, waste and abuse; evaluate the adequacy and effectiveness of internal controls for accounting, financial, technology and operational policies; and improve compliance with applicable law, policy, and ethical standards of conduct.

Tax Credits/Deductions

Public Safety Personnel

The General Assembly enacted several pieces of legislation expanding local option property tax relief for public safety employees, including bills that:

- Expand authority for a local property tax credit for a dwelling owned by the surviving spouse of a fallen law enforcement officer or rescue worker to include dwellings owned by cohabitants (HB 231/SB 282).
- Expand authority for a local property tax credit for a dwelling owned by a retired member of the United States armed forces to include dwellings owned by members of the United States Health Service Commissioned Corps and the National Oceanic and Atmospheric Administration Commissioned Officer Corps (HB 1234/SB 587).
- Authorize a new local property tax credit (up to \$2,500) for a dwelling owned by a local law enforcement officer, correctional officer or career or volunteer

firefighter/emergency medical technician (<u>HB 346</u> (Montgomery County only); HB 979 (statewide)).

Another bill relating to public safety officers allows up to \$15,000 of retirement income attributable to employment as a federal, State or local law enforcement officer or fire, rescue or emergency services personnel to be excluded from State taxation if the individual is at least 55 years old (HB 100/SB 597).

Public Safety

Pedestrian and Bicycle Safety

In 2016, over 475 pedestrians in Montgomery County were involved in collisions with motor vehicles, and eight people died from their injuries. Recognizing that most traffic-related deaths are preventable, the County Executive and County Council established a Pedestrian and Bicycle Traffic Safety Advisory Committee that adopted the County's Vision Zero Initiative aimed at achieving no fatalities or serious injuries in road traffic. Legislative actions spearheaded by our State delegation this year included the passage of a bill to extend the same right-of-way privileges granted to pedestrians to bicycle riders, play vehicle users, or unicycles on a sidewalk or in or through a crosswalk (HB 997/SB 925). Pedestrian and bicycle safety was further advanced in 2017 by the General Assembly's serious consideration of a pedestrian hybrid signals bill that influenced the State Highway Administration's decision to finally install longsought High-Intensity Activated Crosswalk beacon traffic safety devices at two dangerous intersections in Maryland, including one at Veirs Mill Road and Turkey Branch Parkway which was the site of two bicycle fatalities. Finally, legislation passed creating the Task Force to Study Bicycle Safety on Maryland Highways. The 20-member Task Force is charged with making recommendations about a number of safety issues, including those pertaining to the adequacy of the capacity and use of bike lanes, traffic control devices, and public education and outreach related to the operation of bicycles on highways in the State. The Task Force's findings and recommendations are due to the Governor and General Assembly by December 31, 2017 (HB 192 / SB 142).

School Bus Cameras

Motorists passing a stopped school bus with its flashing red lights illuminated will now face a fine of up to \$500 (SB 154). The requirement to stop does not apply to drivers traveling in the opposite direction of a stopped school bus on a roadway separated by a median or physical barrier. Remarkably, over the past six months, with just 10 percent of MCPS buses outfitted with cameras, over 6,600 violations were recorded. That's a rate of slightly over 52 violations per day. Increasing the fine will call attention to this serious traffic safety problem affecting our school children, and hopefully reduce the incidents of distracted driving in Maryland. The Montgomery County Police Department is required to report to the General Assembly by December 1, 2018, on the total number of violations recorded by school bus cameras, the frequency of violations and the number of violations for vehicles travelling in the opposite

direction of school buses on multilane highways with painted medians. The bill will sunset on June 30, 2019.

Deer Management

Montgomery County has a serious deer overpopulation problem that creates health, economic, and public safety challenges for our residents. For residents, deer transmit tick-borne illnesses like Lyme disease. For farmers, deer account for more than \$4.4 million in crop damage, and are responsible for extensive damage to home gardens and landscaping. And, for drivers, deer cause more than 2,100 deer vehicle collisions in a single year. Last summer, Montgomery County's Agricultural Advisory Committee recommended several legislative changes to Maryland Hunting regulations to address this problem. Reducing the archery hunting safety zone was number one on the list. Our State delegation responded by introducing legislation to reduce the safety zone from 100 yards to 50 yards- and require the use of a tree stand – for archery hunting of deer from a house, church or other building occupied by humans (HB 313). This change is particularly important in more densely populated areas of the County, where archery hunting is the safest and most effective deer management tool.

The delegation was also successful in negotiating a Sunday hunting agreement for Montgomery County. A legislative compromise was found to allow time-specified Sunday deer hunting on private property during Maryland's authorized deer hunting season (HB 310). Sunday hunting will be permitted from 30 minutes before sunrise until 10:30 a.m. throughout the deer hunting season. The three all-day Sunday hunting days were retained.

Environment

Hydraulic Fracking Ban

A ban on the controversial natural gas drilling process known as hydraulic fracturing passed with all 32 members of the Montgomery County Delegation voting in support of the bill (<u>HB 1325</u>). The bill was signed into law by the Governor prior to the end of session. Maryland is the first state with natural gas reserves to ban hydraulic fracturing through legislation.

Renewable Energy Portfolio (RPS)

During the 2016 Session, the General Assembly passed legislation to increase the Renewable Energy Portfolio Standard (RPS) annual percentage requirements from 20% to 25% for both solar and nonsolar Tier 1 renewable sources. The RPS requires electricity suppliers to meet a prescribed minimum portion of their retail electricity sales with various renewable energy sources, including solar, wind, qualifying biomass, and hydroelectric power as well as several others. Following adjournment of last year's Session, the Governor vetoed the measure. When Session convened in January, the General Assembly voted to override the Governor's veto, reinstating the law by a vote of 32-13 in the Senate and 88-51 in the House.

Maryland Energy Innovation Institute

An innovative new collaboration has been formed to move clean energy solutions forward in Maryland. The University of Maryland Energy Research Center in the A. James Clark School of Engineering will be partnering with the Maryland Clean Energy Center. The purpose of this economic development initiative is to develop and incentivize private investment in clean energy solutions across the State. A \$1.5 million annual transfer from the Strategic Energy Investment Fund will be made for FY 2018 through FY 2022 to help grow the program (HB 410/SB 313).

Siting of Energy Facilities

This year there were several bills introduced which tried to address the increase in large scale energy projects being proposed in agricultural and environmental areas across the State. The Maryland Association of Counties led a successful effort to require the Public Service Commission (PSC) to consider a local government's comprehensive plan and zoning when reviewing an application for a certificate of public convenience and necessity (HB 1350). The bill also requires the PSC to provide notice and a copy of the application to the executive branch of the affected local government as well as the local governing body. Going forward, stakeholders will engage in an informal study to determine how to improve notice and communication between governmental entities and energy developers.

Economic Development

Washington Metropolitan Area Transit Authority

The ability to move people in the Washington region remains a core economic development issue for suburban Maryland, Northern Virginia, and the District of Columbia. The Washington Metropolitan Area Transit Authority (WMATA) is an integral part of this system. However, for years, it has struggled with safety and reliability issues. The tipping point was the Red Line accident in 2012, which resulted in the Federal Transit Administration requiring the three compact members (Maryland, Virginia, and D.C.) to pass legislation to replace the ineffective Tri-State Oversight Committee with a safety oversight agency – the Washington Metrorail Safety Commission (HB 119/SB 265). The new Commission would be responsible for WMATA Metrorail safety oversight going forward.

Maryland was the last of the three compact members to pass the legislation creating the new Commission. The legislation was an emergency measure and has already been signed into law. It was accompanied by a bill to ensure that the Commission will include membership from the two Maryland jurisdictions with the highest WMATA ridership (HB 285/SB 265).

The Governor further emphasized how important WMATA is to the economic vitality of the State by increasing the Maryland share of the WMATA subsidy by \$41 million in the fiscal 2018 State budget to support the additional costs of maintaining and improving the system.

Tax Credits, Grants and BIDs

Several bills also passed that improved various tax credit and grant programs to help attract and support new start-up and other businesses in the State. These include the Research and Development (HB 240/SB 200) and Biotech Tax Credit (HB 373/SB 226) programs. Both proposals were sponsored by Montgomery County legislators since these programs are heavily utilized by businesses located in Montgomery County, particularly in the I-270 Corridor.

Additional funds were also appropriated to the State's Sunny Day Fund to be directed to Marriott International as part of a State of Maryland / Montgomery County incentive package made available to assist the company with the cost of developing a new corporate headquarters facility in Bethesda.

Delegation members also focused their efforts on advancing two other economic development initiatives. First, legislation passed to create a State "Make Office Vacancies Extinct (MOVE)" matching grant program (HB 1464). This new State program is modeled after a successful Montgomery County program that subsidizes office support expenses for companies locating or expanding in the County. Second, legislation applying only to Montgomery County was passed making it easier to create Business Improvement Districts (BIDs) within the County (HB 386). If the creation of a BID is agreed upon by the stakeholders, revenue derived from the property assessment is dedicated for infrastructure improvements benefitting the district.

Breweries

Beer was a hot topic in Annapolis this session with several different bills attempting to change the brewery landscape. Although it did not advance out of the House Economic Matters Committee, one bill sought to create a new license that streamlined the current license structure (HB 1420 – Modern Brewery License). The bill would have allowed the holder of any type of brewery license to obtain a new Class 10 license. The bill gave license holders the option of retaining their existing license and using the Class 10 in conjunction with it or relinquishing their existing license. This flexible license would have benefitted large-scale breweries as well as the State's microbreweries and farm breweries.

The brewery bill that did pass this session made significant changes to the Class 5 license, which is the type of license held by large-scale production breweries (HB 1283). The bill allows Class 5 license holders to sell up to 2000 barrels of beer for on-premise consumption and to purchase another 1000 barrels through a licensed wholesaler. This is a substantial increase from the current 500-barrel limit. The bill also allows the license holder to enter into a contract to brew and bottle beer with and on behalf of other breweries, including both microbreweries and farm breweries. The beer that is brewed under contract may account for 25 percent of the beer sold in the taproom. The increase in the barrelage limit will benefit Maryland breweries looking to expand their businesses, including the new Guinness brewery planned for Baltimore County.

Health

Opioids

Assembly considered several bills and budget items this session. The Governor's package included legislation which directs physicians treating a patient for pain to prescribe the lowest dose and fewest quantity of prescription opioids as medically necessary (HB 1432). Physicians are to follow clinical guidelines when determining what is medically necessary, and the bill provides exemptions for patients in hospice care or receiving treatment for cancer or chronic pain. The aim of this legislation is to reduce the number of prescription drugs available for abuse. In March, the Governor signed a State of Emergency Declaration relating to opioids, which allows for increased and more rapid coordination between the State and local jurisdictions. The Governor also announced \$50 million in new funding to address the opioid crisis, and appointed the Governor's senior emergency management advisor to lead the State's coordinated effort to combat the crisis.

The General Assembly also passed bills that bring opioid addiction education, community action officials, and overdose-reversing medications into schools (<u>HB 1082/SB 1060</u>), create an alcohol and drug addiction recovery program within each institution of the University System of Maryland (<u>HB 950</u>), and alter pre-authorization requirements for patients with opioid prescriptions (<u>HB 887</u>).

The Department of Health and Mental Hygiene (DHMH) is required to establish crisis treatment centers and a toll-free, 24/7 health crisis hotline to provide access to clinical staff who will perform assessments and level of care determinations, and to immediately connect individuals to care (HB 1329/SB 967). The bill also provides \$2 million for expanding the scope of the state's drug court programs.

Prescription Drug Prices

A bill that gives the Maryland Attorney General authority to play a role in setting prices for prescription drugs passed by large majorities in both chambers (HB 631). Under this legislation, a drug-price increase of more than 50 percent would trigger a report to the Attorney General, who is authorized to demand an explanation for the increase. The bill allows the Attorney General to ask a judge to determine whether a drug company implemented an "unconscionable increase" to a critical prescription medicine and allows a judge to fine the drug company, as well as order refunds to consumers.

Planned Parenthood

As referenced above under the Federal Affairs section, the General Assembly passed a bill to ensure that Planned Parenthood and similar providers will continue to be reimbursed for family planning services provided to Medicaid recipients if federal funding for these providers is eliminated (HB 1083/SB 1081). The bill creates a Family Planning Program in DHMH that is

charged with maintaining access to, and continuity of, family planning services provided by Planned Parenthood and similar providers.

Child Care

Two bills passed by the General Assembly are intended to make child care more affordable for families and more sustainable for child care providers (HB 395/SB 293 and HB 418/SB 294). These bills require the Maryland State Department of Education to complete an analysis every two years to determine the recommended subsidy rate for the program and make recommendations on the method of analysis. In recent years, Maryland has fallen to the bottom nationally in its child care subsidy rates, which increasingly makes child care unaffordable for many families and leaves providers without adequate resources to continue their operations. These bills aim to ensure that the subsidy rate does not go unchanged over a long period.

Food Security

Schools

Two bills passed by the General Assembly will make access to food in schools easier for Maryland students. HB 257/SB 359 expands the places within schools where breakfast program meals can be served, and stipulates that breakfast must be served after the arrival of students to the schools. HB 287/SB 361 assures schools participating in the Community Eligibility Provision (a federal funding program for schools with high poverty rates that agree to serve nocost breakfast and lunch to all students in the schools) that the count used to determine compensatory education aid at least keeps pace with the change in total enrollment in the coming years.

Farmers Markets

The Maryland Farms and Families Act (<u>HB 586/SB 278</u>) enables residents who receive food-related benefits to increase their purchasing power at farmers markets. The bill creates a fund to be used to provide grants to non-profit organizations that match purchases made by consumers with their federal nutrition benefits at participating farmers markets. This will make the healthy food sold at farmer's markets more affordable while supporting the farmers who sell their products at Maryland farmers markets.