MONTGOMERY COUNTY OFFICE OF INTERGOVERNMENTAL RELATIONS 2019 END OF SESSION SUMMARY

The Maryland General Assembly adjourned *sine die* at midnight on Monday, April 8, concluding the first 90-day session of a new four-year term. Nearly one third of the 188-member body is newly elected. Ten of these new legislators were elected from districts in Montgomery County and, after being sworn into office, became official members of Montgomery County's 32-member delegation (Delegation). This new energy combined with the experience and leadership skills of the returning Delegation members created a formidable team that placed the County in a position to do well in Annapolis this year, and it did. Thanks to the Delegation's hard work and commitment to moving the County's agenda forward, most of the County's goals for the 2019 session were met.

Education

PreK-12 Public Education

• The General Assembly made a historic commitment to improving the State's public schools by passing the *Education Blueprint for Maryland's Future* (SB 1030). This bill begins to implement the visionary policy goals that are outlined in the Interim Report of the Commission on Innovation and Excellence in Education (Kirwan Commission). At the core of the report is a comprehensive plan to phase in fundamental changes in the State's approach to preK through grade 12 (preK-12) public education over a 10-year period for the purpose of addressing a variety of challenges relating to early childhood education, recruiting and retaining teachers, college and career readiness pathways, serving students with special needs, and governance and accountability.

The bill includes extensive language that mirrors the broad policy goals underpinning the Commission's 10-year plan and reflects an expectation that legislation will be enacted during the 2020 session to implement the Commission's final recommendations. It also requires the State to jump start the 10-year plan by distributing an additional \$255 million appropriated in the fiscal 2020 State budget for preK-12 programs not otherwise required to be funded in fiscal 2020. Montgomery County Public Schools will receive over \$24 million to be used to support students with disabilities (\$9.1 million), teacher salaries (\$8.1 million), struggling learners (\$2.7 million), full-day preK for four-year-olds (\$2.4 million), and enhanced services at schools where at least 80% of students live in poverty (\$2 million).

The bill creates a fiscal 2021 mandatory appropriation of \$355 million to: (1) continue the fiscal 2020 programs created in <u>SB 1030</u> (\$297 million); and (2) implement other unspecified parts of the Commission's final recommendations (\$58 million), as well as requires a fiscal 2022 mandatory appropriation of \$500 million to be used to implement the 10-year plan (\$130 million of which is subject to certain contingencies relating to available revenues).

The County is very grateful to the Commission for its extraordinary work and to the General Assembly for honoring the Commission's vision with the passage of the <u>SB 1030</u>, and looks forward to participating in discussions during the 2019 interim regarding the Commission's effort to develop final recommendations regarding school finance formulas.

Public School Construction

Between the operating and capital State budgets (<u>HB 100</u>, <u>HB 101</u>, and <u>HB 1407</u>), the State Legislature will be making available slightly over \$500 million for K-12 school construction around the State. Montgomery County Public Schools (MCPS) primarily benefits from two school construction programs: (1) the "base" program, funded by the Legislature at \$379 million this year; and (2) schools with significant Enrollment Growth and Relocatable Classrooms, funded at \$68 million this year. To date, MCPS has been allocated \$57 million from these two programs, with about \$127 million of additional funds identified by the General Assembly that may be allocated among the 24 Maryland school systems for public school construction projects if the Governor agrees to release these dollars. If so, Montgomery County expects that once the final allocation is determined, fiscal 2020 will be the highest award of State school construction funds that it has ever received in any given year. The County hopes that legislation it strongly supported this year (<u>HB 727</u>), which would have earmarked \$400 million of State funds to advance a more aggressive public school construction program in the County, will be successful next year.

Universities at Shady Grove

• The Universities at Shady Grove (USG) was awarded \$5 million in State funds to support its Science, Technology, Engineering, and Mathematics (STEM) academic program development to help support the delivery of programs on the USG campus with its nine University System of Maryland academic partners.

Transportation

Vision Zero and State Highways as Complete Streets

• About a year ago, Montgomery County completed a two-year Vision Zero Action Plan. The purpose of the program is to develop strategies for making highways safer for motorists and passengers, as well as bicyclists and pedestrians, with the goal of having zero traffic-related deaths or serious injuries on roadways by 2030. This session, the Legislature voted to expand Vision Zero statewide within the Maryland Department of Transportation (MDOT) (HB 885). Implementation of Vision Zero will be coordinated with other State agencies and local authorities and will include developing strategies that focus on innovative engineering and traffic calming, as well as working with research organizations to develop best practices. By December 31 of each year, MDOT must submit a status report on Vision Zero to the Governor and General Assembly and make the report available on its website.

- Road traffic safety was also addressed when the General Assembly passed the Pedestrian Safety Fund Act of 2019 (<u>HB 517/SB 460</u>). Members of the Delegation sponsored legislation that increases the maximum fine from \$150 to \$1,000 for drivers failing to yield the right-of-way to a pedestrian crossing the roadway within a crosswalk. Fines collected for the violation must be used to enhance the safety and quality of pedestrian and bicycle transportation.
- In 2012, the State adopted a policy that requires the State Highway Administration to incorporate "complete streets" principles and design elements when planning, designing, and constructing State road projects to accommodate all modes of transportation and all types of users drivers of cars, bicyclists, transit riders, and those that walk on the sidewalks next to the roads. The State also takes responsibility for maintaining this infrastructure in its right-of-way, except for sidewalks, which are the responsibility of local governments. The County believes this division of responsibility is outdated policy that no longer reflects the importance of the State's transportation role in communities. Therefore, legislation that would apply Statewide was introduced to require the State to assume the sidewalk maintenance responsibility as well, in Priority Funding Areas only (HB 10). While the legislation was not acted upon due to cost concerns, focus was placed on the merits of creating a more seamless complete streets system in the rights-of-way that vests all responsibility with one entity (the State). Hopefully, this conversation will continue.

Personal Mobility Devices

• Micro-mobility devices, including dockless electric scooters (e-scooters) that can be rented through app-based scooter-share programs, are operating in neighboring jurisdictions and are appearing on County roads and sidewalks. E-scooters offer the promise of increased personal mobility for short trips and are popular as an affordable and environmentally sustainable transit option. They are not without their detractors, however. Managing traffic and public safety issues surrounding future e-scooter-share programs must include attention to not just the safety of the e-scooter rider but also to pedestrians and drivers in their path. Members of the Delegation sponsored successful legislation that classifies e-scooters as bicycles under Maryland law (HB 748/SB 770). By expanding the definition to include these new devices, all State bicycle laws, including rules governing the types of roads on which they may operate and adherence to traffic control devices, would be applicable to e-scooters. Further, the State prohibition for bicycle operation on sidewalks – unless permitted under a local ordinance – would apply to e-scooters. With the bicycle classification under State law now applicable to e-scooters, local jurisdictions have been granted explicit authority to establish a legal framework for their use in their communities.

I-495/I-270 Traffic Relief Plan

While measures to reform the State's public-private partnership (P3) statute to provide greater oversight of major P3 projects like the I-495/I-270 P3 Traffic Relief Plan failed (HB 91 and HB 1091), language was included in the State budget bill clarifying the Legislature's intent that there be more due diligence and oversight of a proposed P3 before

it formally moves forward. Specifically, for this project, the Legislature recommends against the submission of a presolicitation report until a final Environmental Impact Statement identifying and evaluating the locally preferred alternatives for the project is complete. It also recommends against the designation of the project as a P3 or the approval of contracts without the unanimous support of the three-member Board of Public Works. Because of the pressure brought to bear by members of the Delegation, the Administration committed in a letter to some concessions related to phased implementation of the project, improved communications about the project, and future investment in transit, including the Corridor Cities Transitway.

Video Bus Lane Enforcement

• While no legislation passed this year that would allow any subdivision in Maryland to enforce dedicated bus lanes with video cameras, the Maryland Transit Authority and Baltimore City will be conducting a study of dedicated bus lane enforcement mechanisms used by peer transit agencies in the United States (HB 130). Montgomery County will follow the study and consider its findings which are due at the end of the year. The County currently has very few dedicated bus lanes, with no enforcement. However, as its Bus Rapid Transit system comes on line, the need for effective dedicated bus lane enforcement may become a more pressing issue.

Environment

Increasing the Renewable Energy Portfolio Standard

• The General Assembly approved legislation that will require half of the State's electricity supply to come from renewable sources by 2030, doubling the current goal of 25% by 2020 (SB 516). The Renewable Energy Portfolio Standard (RPS) requires utility companies to purchase renewable energy or renewable energy credits in an effort to shift the use of electricity produced from fossil fuels. Maryland joins a handful of states that have set their RPS at 50% or higher. The bill also incentivizes green energy jobs, makes changes to the requirements for offshore wind projects, and requires a study to assess the overall costs and benefits of increasing the RPS to 100% by 2040.

Housing

Increasing Availability of Affordable Housing.

- In 2017, the General Assembly established the National Capital Strategic Economic Development Fund (Fund) at the Department of Housing and Community Development (DHCD). The Fund is intended to assist government agencies as well as nonprofit community development entities with pre-development activities for revitalization in areas designated as sustainable communities. Funding must be allocated for projects located in the area between Interstate 495 and the District of Columbia in Montgomery and Prince George's Counties. For fiscal 2019, the Legislature provided \$1,000,000 in General Obligation (GO) Bond funding. This year, the Legislature allocated \$4,000,000 in GO bonds for the Fund.
- This year, a bill passed creating the National Capital Strategic Economic Development Program (Program) within DHCD. The legislation was sponsored by members from Montgomery and Prince George's Counties and creates a program intended to provide strategic investment in local housing and businesses to "encourage healthy, sustainable communities with a growing tax base and enhanced quality of life" and to "focus on areas where modest investment and coordinated strategies will have an appreciable neighborhood revitalization impact." The Program will allow government agencies, including housing authorities and community development organizations to apply for funds. The bill requires that an eligible project be located in either a qualified opportunity zone or an enterprise zone within the boundary created by Interstate 495 and the District of Columbia. The bill also requires the Governor to include in the annual operating or capital budget a \$7,000,000 appropriation for the Program for fiscal 2021 through 2025. (HB 1266/SB 754)

Health and Human Services

Medicaid Match for County Funds Used to Supplement Wages Paid to Developmental Disability Providers Serving County Clients

• Language was included in the operating budget requiring the Developmental Disabilities Administration (DDA) to report to the County and General Assembly how the Office of the Attorney General responds to the County's proposed plan to secure Medicaid funds that supplement wages paid to developmental disability providers serving County clients. The budget language restricts \$100,000 until the response from DDA is secured. Since the passage of the budget, DDA has met with the County to discuss the proposed plan and has agreed to discuss the plan with the appropriate federal partners.

Public Health Grant Funding for Tuberculosis Program

• Language was included in the operating budget to restrict \$100,000 to supplement the Governor's appropriation for the tuberculosis grant program. This is a significant step towards restoring funding for the grant program to the level necessary to meet the County's treatment needs.

Funds to Divert Behavioral Health Patients from Hospital Emergency Departments

• The failure of <u>HB 306/SB 402</u>, which would have altered the circumstances under which an application for involuntary admission of an inmate to a mental health facility could be made, led to the creation of a workgroup that will convene over the 2019 interim. The workgroup will study the issue of securing mental and behavioral health treatment for inmates in a timely manner to avoid their placement in emergency departments and other inappropriate settings. The County's Director of Correction and Rehabilitation will be a member of the workgroup and represent the County's concerns on this topic.

Early Care and Education

• As expected, the Interim Report of the Kirwan Commission recommended that the State expand full-day preK at no cost for four-year-olds and three-year-olds from families with incomes up to 300% of the federal poverty level (FPL) and for four-year-olds from families with incomes between 300% and 600% of the FPL using a sliding scale. Also as expected, the Commission recommended that full-day preK be expanded through a mixed delivery system using both public school- and community-based programs, and that community providers meet certain standards for "high-quality" programs. Among other things, they must immediately publish at a level 3 or higher ranking in the Maryland EXCELS program and, if applicable, have a plan approved by the Maryland State Department of Education (MSDE) to achieve level 5 of EXCELS within 5 years.

The County fully supports the goal of providing all children with high quality preK services but expressed concern before the 2019 session that meeting the level 5 EXCELS criteria creates a business challenge for many early child care and education providers because of the costs and logistical challenges associated with fulfilling the complicated workforce development requirements embedded in the EXCELS program. To address this concern, the County requested the Delegation's support for further review of the EXCELS criteria. The Education Blueprint for Maryland's Future that was enacted this year to begin the process of implementing the Commission's recommendations did not address this issue (see discussion of SB 1030 above under PreK-12 Public Education).

However, the Commission acknowledged in its <u>Interim Report</u> that many providers throughout the State face this challenge and made it clear that the State must take a variety of aggressive steps to assist in capacity-building for preK programs to help protect the viability of community providers while moving them up the EXCELS levels, including: (1) increased coaching and technical assistance through EXCELS and Child Care Resource

Centers; (2) prioritized support for providers in high-need communities, including areas with provider shortages; and (3) providing tuition assistance and other financial support for attaining Child Development Associate credentials, associate's and bachelor's degrees, and other credentialing requirements (see Policy Area 1, Element 1b of the Interim Report).

These recommendations acknowledge that without additional support from the State, many community-based preK providers, particularly those in high-need areas or those who are already facing stressors on their viability, would not be able to achieve the higher EXCELS levels that the Commission recommends. As the Commission continues its work during the 2019 interim, the County will continue to work with its partners at the State level and in other counties to explore whether the EXCELS program needs to be modified in order to ensure that the provider shortage problem is not exacerbated by stretching workforce development capabilities so far and fast that providers cannot remain in business.

Economic Development

Make Office Vacancies Extinct (MOVE)

• Modeled after a program implemented in Montgomery County, State legislation passed in 2017 that established the Make Office Vacancies Extinct (MOVE) program in the Maryland Department of Commerce to provide incentives for new businesses to lease vacant commercial office space. The State legislation also established the MOVE Matching Fund for the purpose of providing funds to reduce vacant office space in counties that offer incentive programs. Although State funds have not yet been provided to capitalize the matching fund, the County was successful in drawing attention to this issue by getting report language included in the State budget. This directive requires the Department of Commerce to submit a report by September that describes: (1) efforts it plans to undertake to market the program to businesses and to other counties, including whether the program should be restructured to better achieve the goals of reducing vacant commercial offices; and (2) its plans to seek funding for the matching fund, including whether there is an existing incentive fund offered by the Department of Commerce that could be revised to meet the goals of the State and local MOVE programs.

Businesses Impacted by State Construction Projects

 Although the County provided extensive information about how a program could be structured, legislation failed again this year that would have required the State to offer financial assistance to small businesses located near the Purple Line alignment that may be at risk of closing due to a loss of business activity during the project preparation and construction phases. (HB 313)

Victims' Rights

Human Trafficking and Labor Trafficking

- This session, several bills were passed to address human trafficking. Beginning with a practical initiative to recognize, prevent, and report these crimes, the General Assembly adopted legislation requiring commercial truck driving schools to include education and training on the recognition, prevention, and effective reporting of human trafficking (HB 5/SB 146). The Maryland Motor Vehicle Administration must also update its Commercial Driver's License Manual to include this information.
- To provide a safe harbor for minors who are believed to be involved in prostitution as victims of sexual abuse, the Legislature adopted the Child Sex Trafficking Screening and Services Act of 2019 (<u>HB 827</u>). The bill establishes a Safe Harbor Regional Navigator Grant Program within the Governor's Office of Crime Control and Prevention to support services that are victim-centered and trauma-informed for youth victims of sex trafficking.
- Maryland's 2007 human trafficking law was improved and expanded under legislation approved this session (<u>HB 871/SB 690</u>). "Human trafficking" was renamed "sex trafficking" under the State's Criminal Law Article and felony sex trafficking was added to the definition of a "crime of violence," making convicted human traffickers eligible for additional criminal penalties.
- Until this session, Maryland had no specific labor trafficking law. The Anti-Exploitation Act of 2019 established the offense of labor trafficking as a felony, punishable by imprisonment for up to 25 years and/or a maximum fine of \$15,000 (HB 734/SB 689).

Sexual Assault

- In 2018, it was reported that 10 of the largest police departments in Maryland had a backlog of more than 6,500 untested rape kits. The Legislature addressed this discovery by passing a bill establishing a Rape Kit Testing Grant Fund to provide State support to local jurisdictions responsible for testing sexual assault evidence collecting kits (HB 1268/SB 569). The Governor's Office of Crime Control and Prevention will be responsible for managing the \$3 million fund.
- In conjunction with the bill that created a Rape Kit Testing Grant Fund, the General Assembly also adopted legislation to require law enforcement agencies to submit sexual assault evidence collection kits to a forensic laboratory for analysis within 30 days of receipt of the evidence (HB 1096/SB 767).

Domestic Violence

• To correct an oversight in a domestic violence bill passed in 2018, the Legislature adopted a measure granting law enforcement the power to arrest a defendant charged with domestic violence if that person comes in contact with the domestic violence victim (<u>HB121/SB130</u>). Last year's law only allowed for the issuance of a citation rather than providing arresting authority.

Public Safety

Next Generation 9-1-1 in Maryland

• By adopting legislation containing the 23 unanimously approved recommendations of the Maryland Commission to Advance Next Generation 9-1-1 Across Maryland, the Legislature affirmed that Maryland will transition to Next Generation 9-1-1 infrastructure, an internet-based system that improves location accuracy and allows callers to send video and other multimedia messages to 9-1-1 call centers (HB 397/SB 339). Included in this measure is an enhanced regulatory framework governing the State's 9-1-1 system, and an updated 9-1-1 fee structure from per-bill to per-device that is collected by the State for 9-1-1 service provided by local governments. In fiscal 2018, Montgomery County received \$7.7 million from the local portion of the 9-1-1 fee. The new 9-1-1-fee structure could more than double that annual amount, which will help further the goal of improving Maryland's 9-1-1 system.

School Bus Monitoring Cameras

• Members of the Delegation sponsored successful legislation to make permanent the \$250 fine violation for motorists recorded by school bus monitoring cameras who fail to stop for school buses with their stop-arms deployed and red lights flashing (HB 343/SB 464). The same violation witnessed by a police officer results in a \$570 citation and three points on the driver's license. Without the legislation, the fine would have reverted to \$125 on June 30, 2019.

Gang violence

• In 2018, the Legislature passed a crime bill that created a Task Force to Study Maryland's Criminal Gang Statutes (SB 1137). The Task Force was directed to study current State prohibitions on criminal gang-related activity, look at how existing laws are being used to get criminal convictions for gang-related activity, and make recommendations for changing State laws to better deter, prosecute, and punish criminal gang-related activity and persons convicted of gang-related offenses. The County is committed to supporting programs intended to deter at-risk youth and families from gang involvement and awaits the report of the Task Force due to the Governor and General Assembly by June 30, 2020.

Local Decision-Making Authority

Minimum Wage

As the General Assembly debated and ultimately passed a Fight for Fifteen proposal to increase the State minimum wage from \$10.10 to \$15.00 (HB 166/SB 280), the Delegation ensured that the final bill did not preempt the County from continuing to enforce its more generous local minimum wage law. The County minimum wage is currently \$12.25 for large employers (at least 51 employees) and \$12.00 for mid-sized employers (between 11 and 50 employees; nonprofits; home and community-based service providers) and small employers (10 or fewer employees). Under County law, the minimum wage will be increased to \$15.00 by July 1, 2021 for large employers, July 1, 2023 for mid-sized employers, and July 1, 2024 for small employers. After reaching \$15.00, the County minimum wage will be indexed to inflation. In contrast, this year's State legislation requires that the current State minimum wage of \$10.10 be increased to \$15.00 by January 1, 2025 for large employers (more than 14 employees) and July 1, 2026 for small employers (14 or fewer employees). After reaching \$15.00, the State minimum wage will not be indexed to inflation. In sum, the County minimum wage is currently higher for all employers and will remain that way in the future as a result of the Delegation's successful efforts to avoid preemption in this year's Fight for Fifteen bill.

Small Cell Wireless Antennas

Montgomery County worked closely with the Maryland Association of Counties (MACo), Maryland Municipal League (MML), and other local governments to successfully oppose a sweeping preemption bill that would have prohibited community input regarding the siting of small wireless facilities throughout the State (HB 654/SB 937). Among other things, the bill would have: (1) allowed the deployment of small wireless facilities in a public right-of-way as a permitted use not subject to zoning review or approval; (2) allowed installation of a new or modified pole with a height of up to 50 feet high, to which a small wireless facility the size of a refrigerator could be attached; and (3) maximized the number of poles to be deployed in the right-of-way by allowing antennas to be placed on new poles even when existing poles are suitable, prohibiting denial of a permit based on lack of need, and prohibiting a requirement governing minimum distance between poles. As a result of coordinated and extensive lobbying efforts by MACo, MML, Montgomery County, and other local governments, including the introduction of an alternative legislative proposal that would have preserved local authority (HB 1020/SB 713), this issue was referred to interim study by both the Senate Finance Committee and House Economic Matters Committee.

Electricians

 For the past several years, legislation has been introduced to make significant reforms to the laws governing the licensure of electricians, including preemption of local licensing authority. Currently, only Montgomery County and four other jurisdictions have a licensing structure for the less experienced journeyperson electricians, while all but one jurisdiction license master electricians. The County's Department of Permitting Services operates a robust licensing program and the County also maintains a local electrical board that is familiar with local codes, practices, problems, and issues. As in past years, legislation was introduced this session to create statewide licenses and eliminate local ones (HB 792). Montgomery County worked extensively with the bill sponsor and other stakeholders to prepare amendments that would ensure existing local licensing programs and boards would not be preempted by the legislation. The bill ultimately received an unfavorable committee report and the County's local licensing program remains intact. Concern about the bill's impact on local authority contributed to the bill's failure and the County's work on potential amendments this session has laid the groundwork for preserving its local licensing and enforcement program if similar legislation is introduced again in the future.

State Operating and Capital Budgets, in General

• Overall, Montgomery County will receive about \$56 million more in direct State aid this year, or about seven percent more than last year. While most of this increase will be allocated to support public preK through grade 12 education (HB 100 and HB 1407), including new funding related to the recommendations of the Kirwan Commission, State funding for libraries, Montgomery College, public safety, transportation, and health and human services will also all increase. The State's capital budget (HB 101) includes investments of \$179 million for non-transportation related projects located within County borders, including several that were identified as funding priorities for the 2019 session.

Charts that provide a detailed listing of capital projects and State aid by category are attached.

Other Priority Capital Projects

- In addition to public school construction, requests for State investment in five specific capital projects were included on the County's 2019 session Priorities List. All five were awarded funds, as follows:
 - Montgomery College, Takoma Park/Silver Spring campus math/science building \$6.2 million, with a commitment to continue funding for the project in the out years
 - Avery Road Treatment Center \$525,000, which represents the State's share of project cost increases

- Poolesville Economic Development Project \$1 million
- Round House Theatre \$500,000, with a legislative commitment to continue funding for the project in the out years
- Olney Theatre \$500,000, with a legislative commitment to continue funding for the project in the out years

NOTE: Document revised 8/20/19 to accurately reflect the status of legislation at the end of the 2019 Session.