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2003 LEGISLATIVE SUMMARY

COUNTY IMPACT LEGISLATION FROM THE 2003 SESSION

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Legislative Director Michael Sanderson
Meetings and Communications Director Ellen B. Clarke
Associate Director..... Erin Dougherty
Office Financial Manager..... Leslie Walsh
Administrative Specialist Karen Lowe
Office Assistant Becky Black
Research Assistant..... Jill Bigden

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Maryland Association of Counties
169 Conduit Street
Annapolis, MD 21401

(410) 269-0043 (Baltimore Metro)
(301) 261-1140 (Washington Metro)

Fax: (410) 268-1775
World Wide Web: <http://www.mdcounties.org>

For more information about the Maryland General Assembly or specific legislation, contact the Maryland General Assembly World Wide Web site, at the address listed below:

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INTRODUCTION

This report provides a summary of statewide legislation affecting county government enacted during the 2003 General Assembly Session. The bills and resolutions are grouped into 11 categories or topic areas. A brief synopsis of each bill or resolution is provided. In addition to the bill summary, you will find an explanation of the MACo Legislative Committee's position taken on the bill, if applicable.

New in recent years' reports is a series of more detailed articles, describing the process or background surrounding several key legislative issues. In this year's publication, we have focused on four major issues: maintenance of effort calculations to include blind students, budget balancing, speed camera legislation, and wireless enhanced 911. We hope that you find these articles a helpful complement to the summary information historically presented.

During the 2003 session, the 47 Senators and 141 Delegates introduced 1,959 bills, which reflects the lowest bill count in recent memory, by some margin. The total number of legislative proposals introduced during the 2003 Session averages about 10.4 bills per legislator.

MACo staff reviewed all legislation and presented 87 bills to the Association's Legislative Committee for consideration. The bills presented were those staff viewed as having a county impact and a reasonable chance of passing. The Legislative Committee took positions on 52 bills. A breakdown of MACo's "legislative statistics" is included as Appendix A of this report. The Committee also adopted four legislative initiatives, led by the dominant issue of the year – County Budget Security. The discussion on "budget balancing" on page 14 of this report details some of the trials facing local governments through this difficult budget year. In addition, MACo's effort to pursue additional support for 9-1-1 emergency number systems, and authorizing legislation for local governments to use speed radar cameras to promote community roadway safety.

Also, MACo sought unsuccessfully to close a loophole in transfer and recordation taxes. While the House passed legislation to enhance the fairness in this tax system, the Senate was again unable to support the legislation, and it eventually failed during the final stages of the revenue-related conference committee between the two chambers' fiscal leaders.

The Session produced many positive results for county governments. MACo's participation affected legislation in a wide range of issues- from fiscal effects of budget balancing to coordinating strategies for environmental protection. In each case, counties involvement was a critical factor in the Annapolis decision-making process, and MACo's voice on behalf of county governments was clearly heard.

County elected and appointed officials continued to assume a significant role in presenting MACo's legislative agenda during the 2002 Session. The committee presentations by county elected and appointed officials furthered local government's General Assembly credibility.

In addition to the Association's standing and special ad hoc committees, MACo's ten affiliate organizations provided important information to the Legislative Committee during the Session. The Affiliates represent county administrators, attorneys, planners, health officers, engineers, human service directors, aging services directors, environmental health directors, park and recreation officials, and correctional officers. Affiliate representatives often testified before General Assembly committees.

This report is the product of the hard work of the MACo staff, including Ellen Clarke, Erin Dougherty, Karen Lowe, Leslie Walsh, and Michael Sanderson.

If you need additional information regarding any legislation reviewed in this report, or on any other issues addressed by the 2003 General Assembly, please feel free to contact MACo Legislative Director Michael Sanderson, or any MACo staff member.

Business Affairs

HB 697
(Chapter 320) TELECOMMUNICATION AND COMPUTER NETWORK ACCESS - TASK FORCE ON BROADBAND COMMUNICATIONS DEPLOYMENT IN UNDERSERVED RURAL AREAS – Creates a Task Force to study rural broadband access. The Task Force is to submit reports to the Governor and the General Assembly, including a draft plan to provide public and private broadband access by December 1, 2003 and a progress report on the implementation of the plan by December 1, 2004. The final report is due June 30, 2005. Effective June 1, 2003.

Community and Economic Development

HB 496
(Chapter 304) BUSINESS AND ECONOMIC DEVELOPMENT – MARYLAND ECONOMIC DEVELOPMENT ASSISTANCE FUND – This bill expands the uses of the Maryland Economic Development Assistance Fund (MEDAF) to include development and carrying costs related to constructing or acquiring real estate, equipment, or site improvements. The bill also redefines development and carrying costs to include settlement costs, insurance, interest, taxes, government fees, utilities, and the costs of managing and securing the asset. The bill allows MEDAF to fund feasibility studies if the local jurisdiction adopts a resolution supporting the study. Finally, the bill does not restrict investments of MEDAF proceeds to be made only in conjunction with a loan or grant. Effective July 1, 2003.

HB 497
(Chapter 434) BUSINESS AND ECONOMIC DEVELOPMENT - MARYLAND ECONOMIC DEVELOPMENT ASSISTANCE FUND AND MARYLAND COMPETITIVE ADVANTAGE FINANCING FUND - This bill authorizes the Department of Business and Economic Development to use the Maryland Economic Development Assistance Fund (MEDAF) and the Maryland Competitive Advantage Financing Fund (MCAFF) to assist businesses and projects in federal disaster areas. It expands the permitted uses of MEDAF to include any project in a federal disaster area and the eligibility criteria for MCAFF so that an applicant is qualified solely by providing evidence that his or her business is in a federal disaster area. A business must apply for assistance from either fund within one year of the federal declaration. Effective July 1, 2003.

HB 620
(Chapter 314) HOUSING – COMMUNITY LEGACY PROGRAM – NEIGHBORHOOD INTERVENTION PROJECTS - This bill expands the permitted uses of the Community Legacy Financial Assistance Fund to require 10% of the fund to be used for neighborhood intervention projects that include redeveloping properties or demolishing deteriorated or dangerous structures. It also prohibits the Secretary of Housing and Community Development from awarding more than \$500,000 in financial assistance for a neighborhood intervention project. Effective July 1, 2003.

Education

HB 371
(Chapter 292)

PROCUREMENT – SECURITY FOR CONSTRUCTION CONTRACTS - RETAINAGE – This bill limits the amount of retainage a local government may withhold on a building contract to 10% of the contract price for the first 50% of project completion. Unless the county demonstrates a need to retain more than 5% retainage to protect the public interest, after 50% of contract completion, the county may retain up to 5% of the contract price. Within 120 days of satisfactory completion of the contract, the county must release the retained money. However, if there is a dispute concerning the satisfactory completion of the contract, the county shall release the retained money within 120 days of the resolution of the dispute. Effective October 1, 2003.



MACo initially opposed this legislation because it would have imposed a one-size-fits-all solution to a minor problem. However, MACo successfully sought amendments that would recognize local government procurement autonomy while providing some relief to unpaid subcontractors.

HB 948
(Chapter 458)

MARYLAND SCHOOL FOR THE BLIND – FUNDING – This bill requires a local board of education to contribute the local share of the basic cost for each student from the county who is sent to the Maryland School for the Blind (MSB). The bill also repeals the requirement that a local government provide \$200 per student sent to MSB. However, a student who attends MSB must be included in the count that is used to determine a local government's minimum local appropriation to the local board of education. Effective July 1, 2004.



MACo opposed the mandated increase under this legislation as recognized in the fiscal note. Trying to justify the current county contribution, MACo stated the differences in management of the Maryland School for the Blind and the county managed and operated school system. For a more in depth discussion, see Focus on: School for the Blind on page 11.

SB 2
(Chapter 205)

PUBLIC SCHOOL CONSTRUCTION – USE OF SOLAR ENERGY – PILOT PROGRAM - This bill alters a condition for receiving a State grant under the public school solar energy pilot program by requiring that solar energy meet some of the school building's electrical energy needs instead of a certain percentage. The bill also extends funding eligibility to existing public schools that intend to install a solar energy system as an independent project that is not a part of an approved school construction or renovation project. Effective July 1, 2003.

SB 7
(Chapter 55)

CREATION OF A STATE DEBT – AGING SCHOOL PROGRAM – QUALIFIED ZONE ACADEMY BONDS - This bill authorizes the Board of Public Works to issue \$9,043,000 in interest-free Qualified Zone Academy Bonds and grant the proceeds to the Interagency Committee on School Construction to be used for the aging school program. Effective June 1, 2003.



MACo supported this bill as it would provide State funding for needed repairs and maintenance of school buildings that are more than 15 years old, which are not covered by the capital school construction program.

The Qualified Zone Academy Bonds Program, created under the federal Internal Revenue Code provides states with bonding authority for school renovation funding. The program is an attractive financing tool because only the principal must be repaid as the bondholder receives a tax credit instead of interest payments.

SB 32
(Chapter 207)

EDUCATION – CHILDREN IN INFORMAL KINSHIP CARE RELATIONSHIPS–

This bill requires a county school superintendent to allow a student whose parent or guardian resides in another school district to attend the local school system if the student is living with a relative within the school district due to a serious family hardship. The student's relative must be providing informal kinship care to the student. The bill also provides a local funding mechanism to cover the costs of providing educational services to these children when a county's liability exceeds 0.1% of a local school system's total operating budget. Effective July 1, 2003.



MACo opposed this bill arguing that most school systems already have policies that allow a nonresident student to attend a public school in another jurisdiction due to a family hardship. These local programs are

built on the premise of flexibility. MACo also strongly disagreed with the new funding mechanism under the bill, which ignores the current partnership between the State and county for education funding. The bill shifted the burden of paying the difference in expenses from the State to the receiving county.

SB 75
(Chapter 358)

PUBLIC CHARTER SCHOOL ACT OF 2003 - This bill establishes a Maryland Public Charter School Program with primary chartering authority granted to local boards of education and secondary chartering authority granted to the State Board of Education (SBE). An application to establish a public charter school must be submitted to the local board of education in the jurisdiction in which the charter school will be located. If the local board of education denies the application, the applicant can appeal the decision to SBE. Effective July 1, 2003.

PUBLIC SCHOOL FACILITIES – This bill repeals the termination date on the Aging Schools Program and continues the current distribution of \$10.37 million in funding to local school systems beyond fiscal 2004. The scope of a local school system’s comprehensive master plan, required under the Bridge to Excellence Act of 2002, is expanded to include the impact of the proposed goals, objectives, and implementation strategies on public school facilities and capital improvements that may be needed to implement the plan. The special State funding arrangement for school construction projects in Baltimore City is extended through fiscal 2005 and the minimum amount of local funds that Baltimore City must appropriate for school construction is increased from \$12.4 million to \$16.0 million for fiscal 2004 and 2005. The task force’s final reporting date is extended until December 31, 2003 and its termination date is extended until May 1, 2004. The scope of the task force is expanded to include: whether the current allocation of the Aging Schools Program should be modified; and whether the State should provide a greater share of eligible school construction costs for schools with 50% or more of the students eligible for free and reduced price meals, small schools constructed or renovated in a priority funding area, and schools in qualified distressed counties. Effective June 1, 2003.



MACo supported this legislation recognizing the importance of providing the Task Force on Public School Facilities ample time to conduct a thorough study of the State’s public school construction financing program. More importantly, MACo understood the need to continue the Aging Schools Program, which provides enhanced funding for maintaining certain older schools.

Focus on: School for the Blind

The Governor signed House Bill 948 (Chapter 458), requiring county boards of education to pay the local share of the basic cost for each student who is sent to the Maryland School for the Blind (MSB). MACo opposed this bill as an unfunded mandate, suggesting that the differences in management of the MSB and the county public school system recognize the current county monetary contribution.

MSB was established in 1853 and is a private, nonprofit school serving blind, visually impaired, and multiple disabled students from Maryland's local school systems. Roughly 124 students attend the MSB residential program and 53 students attend the day program. The proposed fiscal 2004 appropriation for MSB was \$13.6 million, an increase of more than \$1 million over the fiscal 2003 appropriation.

As introduced, House Bill 948/Senate Bill 619 increased the county contribution from \$200 per student to the local share of the basic cost for each student who is sent to MSB and increased the State appropriation to the MSB to recognize an increase in teacher salaries. At the bill hearings, MACo stated that counties are already facing significant budget cuts from the State, including \$102 million in highway user revenues, in addition to other legislation imposing increased monetary burdens on the counties. In doing so, MACo argued that the proposed legislation couldn't come at a worse time. But MACo's concerns were to no avail to the Senate Budget and Taxation Committee that merely amended the bill to strike the provisions requiring the State to increase its appropriation to MSB and to provide for a delayed effective date beginning July 2004.

However, during the debate on the Senate floor, Senator Delores Kelly rose to the defense of counties, offering an amendment that required the county boards of education to pay the local share of the basic cost for each student attending the MSB. Senator Kelly recognized the current fiscal constraints of county governments in her plea for adopting the amendment. Senator Kelly's amendment was adopted, demonstrating an understanding that the county contribution should increase but remain within the existing budget of the local school system. The House bill was subsequently amended to match to the Senate bill.

Unfortunately, during the final days of session, the bill was further amended to require the county to include MSB students in the maintenance of effort calculation that is used to determine each jurisdiction's minimum local appropriation to the local board of education. As a result, the county contribution to local school boards will increase in FY 2005 an estimated total of \$622,900.

Environment

HB 125
(Chapter 277)

PUBLIC DRAINAGE ASSOCIATIONS – This bill clarifies that a public drainage association may impose tax assessments on land owned by the State or any political subdivision of the State that receives a benefit from drainage improvements. The bill also authorizes the board of managers of a public drainage association to expand land types in an association to include land classified as commercial, industrial, or residential. Effective October 1, 2003.

HB 278
(Chapter 288)

PUBLIC DRAINAGE ASSOCIATIONS AND PUBLIC WATERSHED ASSOCIATIONS – FEES – This bill clarifies that a unit of State or local government that owns land must pay any fee, assessment, or tax levied by a public watershed association if the fee, assessment, or tax is levied against all land that is similarly benefited or damaged by the proposed works of improvement within a public watershed association. Effective October 1, 2003.

HB 715
(Chapter 444)

SEDIMENT CONTROL, STORMWATER MANAGEMENT, AND WETLANDS PROGRAMS – VIOLATIONS – CRIMINAL AND CIVIL PENALTIES – This bill expands existing criminal and civil penalty provisions related to violations of specified sediment erosion and control, stormwater management, and wetlands and riparian rights provisions administered by the Maryland Department of the Environment (MDE). For violations of specified sediment control and stormwater management provisions, the bill also authorizes courts to order restoration of areas unlawfully disturbed. Effective October 1, 2003.



MACo opposed this legislation because the Association strongly disagrees with the policy of one level of government imposing monetary penalties against another. MACo stated in written and oral testimony that these penalties are not borne by stockholders or corporate officers, but by citizens through increased rates or taxes, or decreased services in other critical areas, such as education or public safety.

HB 722
(Chapter 446)

ENVIRONMENT – REPORT BY LOCAL GOVERNMENT AGENCY NONCOMPLIANCE – This bill requires a local government agency to report to the Maryland Department of the Environment (MDE) any known noncompliance of an “affected property” with the Reduction of Lead Risk in Housing Program administered by MDE. Effective October 1, 2003.

HB 970
(Chapter 460)

COMMISSION ON ENVIRONMENTAL JUSTICE AND SUSTAINABLE COMMUNITIES - The bill codifies an existing commission and provides for the continuation of that commission beyond December 31, 2003. Specifically, the bill establishes the 15-member Commission, with a local government representative appointed by the Governor, on Environmental Justice and Sustainable Communities within the Maryland Department of the Environment to, among other things, advise State agencies on environmental justice and related community issues and assess the adequacy of State and local laws to address the issue. The commission must report its findings and recommendations to the Governor and the General Assembly by October 1 of each year. Effective October 1, 2003.

Finance

HB 731/SB 505
(Chapter 104/103)

PROPERTY TAX CREDIT - SURVIVING SPOUSE OF A LAW ENFORCEMENT OFFICER - Authorizes a county or municipal corporation to grant a property tax credit for a dwelling house owned by a surviving spouse of an individual who died as a result of an injury or disease incurred during the course of employment as a law enforcement officer. This bill parallels legislation authorizing a similar credit for surviving spouses of "fallen rescue workers" in 2002. Effective July 1, 2003.

HB 935
(Chapter 203)

BUDGET RECONCILIATION AND FINANCING ACT OF 2003 – Effects a variety of fund transfers, tax changes, and financing provisions necessary to balance the FY 2003 and FY 2004 budgets. This omnibus legislation included dozens of individual provisions, all under the general intent of effecting a balanced budget. For more detail on the provisions affecting county governments, see *Focus on: Budget Balancing* on page 14. Various effective dates.



MACo opposed HB 935, objecting to the various components that reduced State support for several county government functions, and redirected some of the local share of Highway User Revenues to the State general fund. Several changes were made to the legislation in response to local government objections, though the final legislation did require counties to "participate" in the various budget reductions to be enacted.

HB 1148
(Chapter 474)

CODE HOME RULE COUNTIES - DEVELOPMENT EXCISE TAXES
Increasing, for one year, from \$750 to \$2,000 per lot the maximum development excise tax that a code home rule county is authorized to impose. The sponsors intend to work toward a permanent solution to these limitations for future years. The bill is effective July 1, 2003, and expires at the end of the fiscal year, on June 30, 2004.

SB 110
(Chapter 11)

PROPERTY TAX – CONSTANT YIELD TAX RATE - AMENDMENT
Allows the Department of Assessments and Taxation to amend a constant yield rate certification to reflect a significant loss of taxable base. The bill also changes from May 1 to May 15 the date by which the Department may amend a constant yield tax rate certification. Effective July 1, 2003.

Focus on: Budget Balancing

During the 2002 elections, the impending State budget crisis loomed as a dominant political issue. The State budget showed a projected shortfall of a magnitude not seen since the deep fiscal problems of the early 1990s. Sizable program reductions and possible revenue increases would be required, under any scenario, to resolve the imbalance.

The Governor's budget plan proposed to resolve the FY 2004 problem—some \$1.3 billion-- in three parts of roughly equal size: budget reductions, one-time transfers, and new revenues primarily from video lottery terminals (slot machines) at horseracing facilities. Local governments were disappointed that some proposals reduced local government funding – most notably a significant proposed redirection to Highway User Revenues (the local share of gasoline taxes and related transportation revenues) to the State General Fund. In total, the Administration proposal, through various reductions and offsetting additions, sought to ensure that each county received at least the same amount of direct aid (including both education and county government aid) as in FY 2003.

The General Assembly, through its budget process, approached the shortfall differently. As the session progressed, the General Assembly rejected the slots proposal, which eventually shorted the proposed FY 2004 budget by nearly \$400 million. In addition, a revenue write-down in February caused the shortfall to leap by over \$200 million more. The legislative budget process turned to one involving deeper budget cuts than originally proposed by the Governor, and also sought to enhance revenues through various compliance and “tax equity” measures. Eventually, the Governor submitted a supplemental budget proposing to increase the State property tax rate, which the General Assembly enacted, by removing the traditional General Fund subsidy for debt service.

Local governments' “contribution” to the State shortfall grew as the session progressed. An analysis of these reductions on page 22 of this document shows the magnitude of these reductions, and the incremental increases through the legislative process. Eventually, the State reduced not only transportation funding, but eliminated its share of a program lunched to support teacher salaries, reduced its reimbursement for State-initiated property tax credit programs, and opted to “charge” local governments for the use of the State Police Crime Lab and for part of the salaries of circuit court law clerks. In total, the local reductions totaled some \$180 million – shifting a share of the State's fiscal burden down to county officials, who have little choice but to continue to provide these most essential services with much reduced funding.

As the legislative session ended, the fiscal challenges did not. Governor Ehrlich vetoed the General Assembly's stand-alone revenue measure (HB 753), causing a shortfall in the FY 2004 budget of about \$100 million. At the same time, the FY 2005 budget faces a deficit of approximately \$900 million – placing the State back into fiscal crisis mode again. As of the post-session period leading up to the beginning of FY 2004, it remains unclear how and when these budget shortfalls will be resolved. The Administration, the Board of Public Works, and the General Assembly may all have varying roles in finding a solution to the structural imbalance that pervades the State budget decisions during these lean economic times.

SB 319
(Chapter 235)

GENERAL OBLIGATION AND COUNTY DEBT - VARIABLE INTEREST RATE BONDS AND INTEREST RATE EXCHANGE AGREEMENTS – Authorizes the State to engage in variable rate interest indebtedness for its general obligation bonding. In addition, the bill authorizes both the state and county governments to employ interest rate “swaps” when borrowing. Effective July 1, 2003.

Government Liability and Courts

HB 1074
(Chapter 470)

ETHICS LAW – EXECUTIVE UNITS – OFFICES OF SHERIFF AND STATE’S ATTORNEY - This bill applies the State Public Ethics laws to the Office of the Sheriff and the Office of the State’s Attorney in each county. The bill also excludes deputy sheriffs, deputy and assistant State’s attorneys, and all other employees of these bodies from the financial disclosure statement filing requirement of the State Public Ethics Law. Effective October 1, 2003.

Health

SB 252
(Chapter 224)

HEALTH INSURANCE - TASK FORCE TO STUDY ACCESS TO MENTAL HEALTH SERVICES – Creates a 17-member Task Force on Access to Mental Health Services, charged with studying mental health parity requirements under current law, and systemic barriers experienced by commercially-insured individuals when attempting to access community treatment. Effective July 1, 2003, and expires on December 31, 2004.

Planning and Zoning

HB 174
(Chapter 281)

DEPARTMENT OF THE ENVIRONMENT – NOISE CONTROL AND POLLUTION – This bill encourages planning departments to consider compliance with State or local noise standards before acting on any proposed variance request or changes in zoning classifications and prior to the issuance of a building activity permit or similar authorizing document, whether the permit or activity requested will be in compliance with the local and State noise control standards. The bill also adds a representative of MACo to the Maryland Department of the Environment Noise Advisory Council. Effective July 1, 2003.

HB 256
(Chapter 415)

SMART GROWTH – PRIORITY FUNDING AREAS – DESIGNATION BY TWO OR MORE COUNTIES – This bill authorizes two or more counties to designate a priority funding area that combines two or more contiguous areas located in each county. The bill also requires the Department of Planning to develop regulations governing the designation of a priority funding area by two or more counties by June 1, 2004. Effective October 1, 2003.

HB 921/SB 416
(Chapter 341/86)

LAND USE – PLANNING COMMISSIONS – MEMBERSHIP - This bill provides that a local planning commission must consist of three, five, or seven members. Currently, a planning commission must consist of either five or seven members. Effective October 1, 2003.

HB 925
(Chapter 343)

NATURAL RESOURCES – LAND PRESERVATION AND RECREATION

PLAN - This bill decreases the frequency, from every five years to every six years, with which a local governing body must revise its local land preservation and recreation plan (LPRP) and with which the Maryland Department of Planning (MDP), in cooperation with the Department of Natural Resources (DNR), must revise the State LPRP. The bill requires a local governing body to submit a revised LPRP to DNR and MDP for joint approval one year prior to the revision of the State LPRP and modifies the criteria to be used for joint approval. The bill requires a local governing body to submit its LPRP to DNR and MDP by July 1, 2005. MDP must prepare and revise the State LPRP by July 1, 2006. Effective October 1, 2003.

SB 564
(Chapter 255)

MARYLAND AGRICULTURAL LAND PRESERVATION FOUNDATION –

GUIDELINES FOR EASEMENT RANKINGS - This bill requires a county governing body, when ranking easement applications under the Maryland Agricultural Land Preservation Program, to consider the new guidelines adopted by the Maryland Agricultural Land Preservation Foundation (MALPF) to identify easements for purchase that further the goals of the program. In consultation with counties, the guidelines adopted by MALPF must include consideration of several specified factors, such as location, soil productivity, and agricultural production. Effective October 1, 2003.



This bill was a recommendation of the Task Force to Study the Maryland Agricultural Land Preservation Foundation. However, the bill as introduced, altered the recommendation. Therefore, MACo supported the bill with amendments to recognize and clarify the true intent of the recommendation of the Task Force, which was to ensure local government participation in the process of adopting new guidelines for identifying appropriate easements for participation in the program. MACo's amendments were adopted.

SB 626
(Chapter 258)

MARYLAND AGRICULTURAL LAND PRESERVATION FOUNDATION –

EASEMENTS – LOT EXCLUSIONS AND ALLOWABLE ECONOMIC ACTIVITY - This bill authorizes farm and forest related uses and home occupations, as determined by the Maryland Agricultural Land Preservation Foundation (MALPF), on land subject to a MALPF easement. The bill also modifies MALPF's lot exclusion policy to: (1) give landowners a choice of family lots or one unrestricted lot; (2) limit family lot rights to a maximum of three (one lot if the size of the easement property is 20 acres or more but fewer than 70 acres, two lots if it is 70 acres or more but fewer than 120 acres, or three lots if it is 120 acres or more); (3) reflect in the easement value the unrestricted lot rights that are retained; (4) provide that the unrestricted lot right is transferable to subsequent owners; and (5) provide that other dwellings present on the property when the easement is sold may be subdivided from the property as an owner or child's lot or as the single unrestricted lot exclusion permitted. Effective October 1, 2003.

Public Ethics

SB 733
(Chapter 110) STATE GOVERNMENT – ACCESS TO PUBLIC RECORDS – PERMISSABLE DENIALS – This emergency bill expands the circumstances under which a custodian may deny inspection of public records relating to public security to include records of public facilities and privately owned or operated buildings, structures, or facilities. The bill prohibits a custodian from denying inspection of a public record of a privately owned or operated building, structure, or facility that has been subjected to a catastrophic event. The bill also prohibits denying inspection of a public record relating to an inspection or citation issued concerning a privately owned or operated building, structure, or facility. Effective April 22, 2003.

Public Safety and Corrections

HB 260
(Chapter 135) MOTOR VEHICLES - SALVAGE VEHICLES - DISTRIBUTION OF FEES
Redirects the distribution of salvage vehicle inspection fees from the Vehicle Theft Prevention Fund to the Auto Theft Unit of the Department of State Police to recover the costs of administering the salvage inspection program. Effective July 1, 2003.

HB 780
(Chapter 451) EMERGENCY TELEPHONE SYSTEM - WIRELESS ENHANCED 911 SERVICE
Charges the Emergency Number Systems Board with creating a rollout plan for Wireless Enhanced 911 service across the state. Increases the state 911 fee, and raises the maximum local charge, to provide resources for system improvements needed for wireless enhanced service. For more information on HB 780, see *Focus on: Wireless Enhanced 911* on page 19. Effective October 1, 2003.

SB 131
(Chapter 215) SHERIFFS - DISPOSAL OF PROPERTY - HOLDING PERIOD – Allows a Sheriff to sell or dispose of abandoned or recovered property after holding the property for 90 days. Under previous law, such property was to be held for a full year – a time period that still applies to lawfully confiscated property. Under both laws, sheriffs adopt policies to ensure that notice of the sale be given to those persons entitled to its possession and to any lienholders whose names and addresses can be reasonably ascertained. Effective October 1, 2003.



MACo supported SB 131, recognizing that the amended provisions for retained property would continue to protect the interests of property owners, but would reduce administrative burdens on law enforcement.

SB 193
(Chapter 218) VEHICLE LAWS - TRAFFIC CONTROL SIGNAL MONITORING SYSTEMS – YELLOW SIGNALS – Requires jurisdictions employing red light cameras to maintain the duration of yellow lights at those intersections within guidelines established by the State Highway Administration, relying on engineering and industry standards. Effective October 1, 2003.

Focus on: Speed Camera Legislation

One of MACo's legislative initiatives would have enabled county governments to use speed-monitoring technology to stop excessive speeding in their jurisdictions. With reports from the law enforcement community that speeding is the number one complaint from citizens, MACo worked with the Chiefs of Police Association, the Sheriffs Association, the Municipal Officers Association, and the Maryland Municipal League to craft legislation, Senate Bill 455, that narrowly addressed this serious public safety concern. While the bill passed the General Assembly on Sine Die with 20 minutes to spare, the Governor vetoed the bill, raising various policy concerns.

As introduced, SB 455 applied to school zones, residential districts with a maximum speed limit of 35 mph, and in other areas with approval from the State Highway Administration. Similar to the red light program, a violator would be subject to a civil citation not to exceed \$100. The revenues from a prepaid citation would go to the local jurisdiction, while the revenues from contested citations would go to the State. To address proprietary concerns about the vendors interest, the bill provided for a flat fee, rather than a fee based on the number of citations issued or paid.

As passed by the Senate, SB 455 was amended to narrow the application of speed cameras even further to just school zones and residential districts and to preclude the placement of cameras within 100 feet of the bottom of hill or the change in speed limits. To ensure that an individual would be able to use the actual citation in their defense, the bill provided that the citation include at least two successive pictures of the vehicle with the date and speed of the vehicle imprinted on the picture and the same stationary object in each of those pictures. The stationary object, along with the speed of the vehicle, would enable an individual to calculate whether the vehicle was actually speeding. The bill was held over several times on the Senate floor; eventually passing with strong bi-partisan support.

The bill was heard in the House Environmental Matters Committee with only four days left in the session. Due to concerns about the bill providing local governments with a windfall of revenues, the bill was amended to create a Homeland Security Fund, managed by the State Police, that would receive 2/3 of the revenues generated from prepaid citations and distribute grants to all local jurisdictions through the State police aid formula. This amendment proved to garner the support needed to pass the bill in the House, but only after two hours of House floor debate and several other amendments being offered and rejected.

Once passed by the General Assembly, MACo staff worked diligently to get community associations, parent-teacher associations, law enforcement offices, and State and local elected officials to write letters to the Governor urging him to sign the bill. However, at the last minute, a letter from Chief Judge of the Court of Appeals, Robert Bell, landed on the Governor's desk asking him to veto the bill, citing the increased administrative burdens the bill would impose on the District Court from hearing contested citations. Along with privacy concerns, several excerpts from Chief Judge Bell's letter were included in the Governor's policy veto letter.

Focus on: Wireless Enhanced 911

Maryland has provided statewide “enhanced” 911 service for many years. Every county maintains a public safety answering point (PSAP) to receive calls through the well-known one-number emergency system 9-1-1. With enhanced service, the call center receives not only the voice connection from the caller, but also receives information about the caller’s location and call-back number. This data can be critical when a caller is in danger, requiring emergency assistance.

With the advent of cellular and other wireless telephones, 911 service delivery has been rapidly evolving. About half of incoming calls to PSAPs originate from wireless callers, which do not provide the same enhance data as land-based lines. The result? An increasing share of callers cannot be readily identified, located, or contacted if they are unable to clearly provide the relevant information. MACo, working with the PSAP community and other stakeholders, sought legislation to provide the 911 system with the resources needed to make upgrades to provide enhanced service—including caller location and contact number—available to wireless callers in Maryland.

MACo worked with Senator Leonard Teitelbaum and Delegate James Hubbard to introduce SB 549 and HB 833 – MACo’s initiative legislation. Those bills were the product of work by the Emergency Number Systems Board (ENSB), the body that governs Maryland’s 911 infrastructure. This legislation followed two years of futile work by the wireless industry, which was seeking somewhat similar legislation to help the State provide wireless enhanced 911 service, and also to reimburse the private wireless companies for their required investments. While MACo and the PSAP community had supported the industry legislation conceptually (seeking amendments to protect public interests) in past years, those proposals were not successful.

The 2003 legislation was more straightforward. Based on data from the ENSB, the legislation sought to raise \$37 million over the next three years through an increased State 911 fee – raising that fee from 10 to 25 cents per monthly phone bill. The legislation also recognized that counties bear most of the costs of operating call centers, and increased the limitation on local charges from 50 to 75 cents per month. In addition, the legislation spelled out a timetable for the ENSB to work with counties and adopt an action plan, to coordinate the roll-out of the improved service statewide.

Both the Senate and House deliberated on the legislation, each making alterations to the content. Eventually, it was another bill, HB 780, which moved through the process toward passage. Fortunately, the eventual contents of HB 780 were largely drawn from MACo’s introduced legislation, SB 549 and HB 833. MACo worked closely with the Senate Finance Committee and the House Health and Government Operations Committee to see the bill through to its final passage and enactment. After three years of collaboration and effort by the wide-ranging public safety community, Maryland finally has legislation to move toward improved service for all its citizens.

SB 363
(Chapter 240)

CRIMINAL PROCEDURE - DNA - POSTCONVICTION REVIEW AND FELONY CONVICTIONS – Clarifies and extends the DNA Technology Fund and program, collecting DNA samples from certain offenders and providing grants to local law enforcement to support analysis of DNA data for law enforcement purposes. The program had been slated to sunset after FY 2003, but this legislation establishes it permanently, with some functions dependent on the receipt of outside funding. Effective July 1, 2003.



MACo supported SB 363, recognizing that the legislation extends a valuable program, providing the State Police with the resources necessary to lead the state effort to build an offender DNA database. Grants for local law enforcement help provide needed resources for police support elsewhere.

Taxes and Revenues

HB 163
(Chapter 411)

RECORDATION TAX - REFINANCING INSTRUMENT - EXEMPTION FOR SPOUSES – Exempts from recordation tax the refinancing of real property that is being refinanced by the original mortgagor and the spouse of the original mortgagor. This exemption had been applied inconsistently prior to the legislation. Emergency bill, effective upon signing.

FY 2004 County Budget Cuts and Transfers

<u>Fund Transfers</u>	<u>GOVERNOR</u>	<u>HOUSE</u>	<u>SENATE</u>	<u>FINAL</u>
Highway User Revenues	102.4	102.4	102.4	102.4
Vehicle Theft Prevention Fund	-	1.6	1.4	1.4
Waterway Improvement Fund	10.0	11.0	11.0	11.0
 <u>Requiring County "Payments"</u>				
Assesment Offices	10.0	-	-	-
State Police Crime Lab	-	2.5	-	2.5
Circuit Court Law Clerks	-	-	1.4	1.4
 <u>Budget Cuts</u>				
Disparity Grants	-	5.0	-	5.0
Teacher Salary Challenge Program	-	15.3	30.6	30.6
Community College - formula reduced	9.7	9.7	9.7	9.7
S.T.O.P. Drug Treatment Grants	-	5.6	5.6	5.6
OCYF & Local Management Boards	-	3.8	3.8	3.8
Circuit Court rental payments	-	1.2	1.2	1.2
Reduce Circuit Breaker Reimbursement	-	-	-	10.0
TOTAL COUNTY REDUCTIONS	132.1	158.1	167.1	184.6

prepared by the Maryland Association of Counties - all data from Department of Legislative Services

Appendix A - MACo Legislative Statistics, 1992-2003

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
# OF BILLS INTRODUCED BY GENERAL ASSEMBLY	2402	2598	2592	2294	2299	2385	2227	2049	2347	2408	2427	1959
# OF BILLS PASSED BY GENERAL ASSEMBLY	751	748	911	788	803	899	901	830	884	941	918	629
# OF BILLS PRESENTED TO LEGISLATIVE COMMITTEE <i>% OF TOTAL BILLS INTRODUCED BY GENERAL ASSEMBLY</i>	167 7%	165 6%	127 5%	125 5%	127 5%	115 5%	95 4%	87 4%	107 5%	86 4%	78 3%	87 4%
# OF BILLS COMMITTEE TOOK POSITION ON <i>% OF BILLS PRESENTED</i>	151 90%	146 88%	111 87%	72 57%	80 63%	61 53%	60 65%	52 60%	58 54%	56 64%	51 65%	53 61%
# OF BILLS ACTION TAKEN W/O PRIOR LEGISLATIVE COMMITTEE APPROVAL	-	-	-	4	7	3	3	3	12	6	4	3
# OF BILLS SUPPORTED	87	66	48	44	51	38	40	38	55	42	31	32
# OF BILLS OPPOSED	64	57	38	29	29	23	23	17	15	20	24	24
# OF BILLS NO POSITION TAKEN	-	23	41	48	47	54	35	35	46	31	27	29

Measuring MACo's Success for 2003

Text in Bold = MACo Victory *Text in Italics = MACo Loss*

MACo Supported		MACo Supported only with requested Amendments		MACo Opposed	
Bill passed	15	Bill passed with MACo ams	4	Bill failed	16
<i>Bill passed with ams eliminating support</i>	<i>0</i>	Bill failed	3	Bill passed with amendments acceptable to MACo	2
<i>Bill failed</i>	<i>10</i>	<i>Bill passed without MACo ams</i>	<i>0</i>	<i>Bill passed despite MACo objections</i>	<i>6</i>
Success Rate	60%	Success Rate	100%	Success Rate	75%

MACo's 2003 Overall Success Rate = 40/56 = 71%

