



Maryland Municipal League  
*The Association of Maryland's Cities and Towns*

## 2014 Western Maryland Local Government Exchange

*Affording a Quality Community: Balancing the Quality of Life versus the Cost of Living*

Friday, May 9, 2014

Ramada Plaza Hotel, 1718 Underpass Way, Hagerstown, Maryland 21740

Listed below are some of the more high profile bills that saw action this session. A complete listing of all the bills tracked by MML can be found by visiting the MML website at [www.mdunicipal.org](http://www.mdunicipal.org) and clicking on “Legislative Advocacy.”

### **General Assembly Completes Work on FY 2015 Budget**

The legislature finished the 2014 General Assembly session with a nearly \$39 billion state operating budget, which included the additional \$16 million for municipal transportation infrastructure. These monies will be distributed in addition to the statutory highway user revenues of approximately \$7.2 million, which gives municipalities approximately half of what they would have received under a pre-recession fully funded scenario. MML staff has a complete breakdown of municipal FY 2015 HUR allocations.

### **Legislation Effective in June and July, 2014**

Before adjourning Monday night, the General Assembly passed the Speed Monitoring Systems Reform Act of 2014 (**SB 350/HB929**). This legislation makes improvements to the administration of speed camera programs operated by municipalities and counties statewide. Among other changes, the bill eliminates per-citation payment of vendors, tightens the definition of a “school zone,” and mandates the installation of a program administrator to correspond with the public and be responsible for voiding erroneous violations. The legislation takes effect on June 1, 2014.

**SB 600/HB 742** was introduced this legislative session as one of three bills included in an economic development package supported by the leadership of the House and Senate. These bills provide for the creation of economic development zones around anchor institutions such as universities and federal agencies located in Maryland. Business entities in the RISE Zone would then be eligible for a variety of incentives, including local property tax credits. The legislation takes effect on June 1, 2014.

Legislation introduced by the Maryland Department of Planning (**HB 510**) to reauthorize the Sustainable Communities Tax Credit Program and to expand the program to include small commercial

projects passed the General Assembly on the final day of the legislative session. An eligible project involves rehabilitation of a structure primarily used for commercial, income-producing purposes if qualified rehabilitation expenditures do not exceed \$500,000 and the structure is located in a sustainable community. The legislation reauthorizes the Sustainable Communities Tax Credit Program through fiscal year 2017 and takes effect on June 1, 2014.

Under **HB 11**, monies from the Bay Restoration Fund may now be used by a local government to connect properties served by on-site sewage disposal systems (septic systems) located outside municipal boundaries to existing municipal wastewater treatment facilities. Prior to lending support to the bill, the League confirmed with the Maryland Department of the Environment (MDE) that this legislation would in no way allow MDE to force a municipality to extend sewer lines beyond municipal boundaries without the approval of the municipal government. The legislation takes effect on June 1, 2014.

Legislation that as introduced would have required a municipality to submit copies of its campaign finance reports to the State Board of Elections was amended to instead require that a candidate running in a municipal election where a municipality requires campaign finance reports be filed with a city or town, the candidate must also provide a copy of his/her report to the State Elections Board within 10 days after the filing deadline. **HB 827**, introduced by Delegate Michael Summers (D-Prince George's County) passed the General Assembly and takes effect on June 1, 2014.

In an attempt to prevent lost property tax revenues when a tax-exempt religious, charitable or educational property is sold and is no longer eligible for tax-exempt status, the General Assembly passed legislation (**HB 950**) to make property taxes due on the date of transfer of a property rather than on the first day of the next fiscal year. The legislation was introduced by Delegate Patrick Hogan (R-Frederick County) and takes effect on June 30, 2014.

As originally introduced by Senator George Edwards (R-Allegany and Garrett Counties), **SB 605** would have authorized a municipal corporation to provide a property tax credit to allow for rehabilitation of the upper stories of a commercial structure. The bill was amended in the Senate to expand the tax credit to include rehabilitation of an entire existing commercial structure. The legislation takes effect on June 30, 2014.

Delegate Donald Elliott (R-Carroll County) was successful this year in passing legislation (**HB 937**) to require the Maryland Department of the Environment ensure that monies from the Water Quality Fund, the Bay Restoration Fund, the Biological Nutrient Removal Program, and the Supplemental Assistance Program be fairly and equitably distributed among wastewater treatment facilities with a design capacity of less than 500,000 gallons per day. This legislation takes effect on July 1, 2014.

### **Legislation Effective on October 1, 2014**

The Maryland State Ethics Commission introduced legislation this session (**SB 91**) to provide the Commission with the ability to issue a public notice if the Commission determines that a local jurisdiction has not made good-faith efforts to comply with the requirements of the State ethics law. Prior to passage of this legislation, the Commission had no other recourse to encourage a jurisdiction to come into compliance other than taking the jurisdiction to court.

Delegate Pam Biedle (D-Anne Arundel County) introduced legislation (**HB 1312**) to require that local governments ensure such land is made accessible to the general public. Responding to safety and liability concerns expressed by MML and the Maryland Association of Counties, the sponsor agreed to amendments to allow local governments to consider the feasibility of providing public access to POS projects, rather than mandating that the land be made completely open to public use.

The General Assembly passed **SB 401** – “Jonathan’s Law” – which requires inspections of wooden balconies in some multifamily dwellings every five years. The law as passed states that a political subdivision may conduct inspections, authorize a third party to conduct inspections on its behalf, or certify inspections completed by a professional inspector hired by the owner of the building. Political subdivisions must also notify building owners of the requirement to have their balconies inspected and allow adequate time to have the inspection completed.

### **Bills Referred to Study**

**HB 658**, introduced by Delegate Jill Carter (D-Baltimore City), would have established a State Public Information Act Compliance Board similar in nature to the existing Open Meetings Compliance Board. This legislation was amended to refer the establishment of such a board, along with other Public Information Act related issues, to the Joint Committee on Transparency and Open Government for further study. The Joint Committee will report its findings to the General Assembly by January 1, 2015.

### **Bills That Did Not Pass**

A bill (**HB 25**) introduced by Delegate Ron George (R-Anne Arundel County) would have required that all municipalities that currently require an individual requesting an absentee ballot to provide a reason that the individual is unable to vote on election day to move to “no excuse” absentee voting. The bill passed the House, but was not voted out of Committee in the Senate in time for passage.

Senator Alan Kittleman (R-Howard County) and Delegate Susan Krebs (R-Carroll County) introduced legislation (**SB 847/HB 157**) that would have added an agenda to the list of documents to be released prior to a meeting covered by the Maryland Open Meetings Act. MML submitted amendments to provide flexibility as to the timing and content of the agenda and the bill was further amended to instead study the issue. Although neither bill passed, it is possible that the Joint Committee on Transparency and Open Government may still decide to look at the agenda issue as it relates to the Maryland Open Meetings Act.

As part of a continuing effort to better focus State financial disclosure requirements for municipal officials, **SB 913** and **HB 1369**, introduced by Senator Jamie Raskin (D-Montgomery County) and Delegates Jim Gilchrist (D-Montgomery County) and Jeannie Haddaway-Ricio (R-Caroline, Dorchester, Talbot & Wicomico Counties) would have provided better security over the distribution of personal information and restricted real estate disclosures to only those properties located within the county. Neither the Senate Education, Health and Environmental Affairs nor the House Environmental Matters Committees moved the bills out of committee.

For the second year in a row, legislation (**HB 492**) that would restrict a municipality’s ability to establish a different property tax for a specific classification of property was introduced by Delegate William Frick (D-Montgomery County). This year’s legislation would have again restricted the

establishment of specific property tax subclasses to those subclasses currently enumerated in law and would have also required an ordinance separate from a budget ordinance be used to establish such classifications of property. Based on input from members of the House Ways and Means Revenues Subcommittee, MML was encouraged to compromise by agreeing to an amended version of the bill that would have only required a separate ordinance be passed when creating such classes. The bill as amended passed the House but did not move out of the Senate Budget and Taxation Committee.

**SB 56/HB 240** was introduced ostensibly to establish a task force to study recycling and landfill disposal rates. However, the legislation as introduced was very prescriptive and anticipated the findings of the task force before the group was formed. The House passed **HB 240**, but ultimately both the House and Senate bills received an unfavorable report in the Senate Education, Health and Environmental Affairs Committee.

**SB 707/HB 718** would have authorized specified retail establishments to charge a fee on disposable carryout bags. The bill required that a portion of the monies be remitted to a county to be used specifically for community greening, stormwater control, trash or litter cleanup, recycling programs and projects and other projects related to water quality improvement or solid waste source reduction.

**SB 394**, introduced by Senator Brian Frosh (D-Montgomery County), would have required that a beverage sold in Maryland include a five-cent deposit, with the monies divided between distributors, retailers and local governments. The bills failed in both the Senate Finance and the Senate Education, Health and Environmental Affairs Committees.

A constitutional amendment authorizing the General Assembly to allow municipalities to purchase streetlights failed in both the House and Senate. Introduced by Delegate Alfred Carr (D-Montgomery County) and Senator Jamie Raskin (D-Montgomery County) (**HB 729/SB 979**), the bills addressed a situation where a local government attempts to purchase streetlights from a utility but the value placed on the equipment by a utility is not considered fair market value.

Under the Local Government Tort Claims Act (LGTC), an action may not be brought against a local government or its employees unless notice of the claim is received within 180 days of the alleged injury giving rise to the claim. **SB 689**, introduced by Senator Bobby Zirkin (D-Baltimore County) sought to eliminate the notice requirement altogether. The League opposed **SB 689** insisting the “good cause” provision in existing law strikes an appropriate balance in protecting the interests of both local governments and potential plaintiffs.

**SB 987/HB 1271** would have eliminated the LGTC notice requirements in cases where an injury was a result of exposure to lead-based paint and **HB 809** would have eliminated LGTC protections in cases where an injury arose from an incident on an artificial turf athletic field. **SB 689**, **SB 987** and **HB 1271**, and **HB 809** all failed to receive a favorable vote in their respective committees.

Senator Ron Young (D-Frederick), along with Delegate William Frank (R-Baltimore), led efforts again this year to pass legislation allowing local governments to post legal notices online rather than in print newspapers. The legislation (**SB 397/HB 1261**) was a League priority in 2012. The bills were ultimately voted unfavorably in both the House and Senate committees.