



THE
MARYLAND
MUNICIPAL
LEAGUE

2015 GENERAL ASSEMBLY LEGISLATIVE WRAP-UP

With a new Governor in the State House and an approximate 35% legislator turnover in the General Assembly, the 2015 session focused on setting the tone for bipartisan politics and striking a fair balance between priorities introduced by members on both sides of the aisle. Nevertheless, despite a strong air of bipartisan cooperation set at the beginning of the 2015 legislative session, the introduction of the FY 2016 state budget and three subsequent supplemental budgets seemed to take its toll on maintaining cordial relations between the parties. The following is an overview of some of the more high-profile 2015 legislation with local government impact.

MML Priority Legislation

Municipal Transportation Funding - The session began with the unveiling of the FY 2016 budget, which did not include any additional municipal Highway User Revenues. However, Governor Hogan did include an additional \$19 million in his first supplemental budget for municipalities. Although the \$19 million did come out intact in the House budget, the Senate Budget and Taxation Committee recommended a \$3.6 million diversion to Howard and Baltimore Counties. Following outreach from municipal members to their Senators expressing their concern and disappointment over the amendment, in a very unusual move, the amendment was withdrawn on the Senate floor during budget deliberations. The additional \$19 million, when added to the \$7.1 million already included in the FY 2016 budget, will give municipalities a total of approximately \$26 million, which equates to approximately 57% of pre-recession municipal HURs monies.

Legislation (**HB 913**) approved this year by the legislature amended current law to require local governments to submit their reports as a condition of HUR distribution. *No HUR monies will be distributed to municipalities that do not complete this requirement.*

The law now specifies that the State Highway Administration will create a report form to distribute to local governments electronically and will collect the completed forms. The bill also allows those who complete the report to add detail showing where transportation projects have been delayed for lack of adequate funding and where municipalities have shifted monies from general funds to keep up with road maintenance.

Comprehensive Master Plan Adoption - Legislation to implement MML's priority to codify the municipal and non charter county comprehensive master plan adoption process (**SB 551/HB 919**) passed this session. The legislation clarifies the plan adoption process and adds additional transparency requirements. The legislation will allow a governing body of a municipality to adopt a comprehensive master plan after a public hearing on an amended document. The legislation also requires a public hearing at the planning commission level if changes are made to a comprehensive master plan.

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Legislation with Local Government Impact

Local Government Tort Claims Act - HB 113 and SB 147 were both introduced this session to address the liability caps and notice provisions under the Local Government Tort Claims Act (LGTCA). Early in session, MML agreed to a compromise whereby the caps on liability would be raised to \$300,000 per person and \$600,000 total per incident, respectively, and the notice of claim provision would move to one year. While the House passed the bill as agreed with regard to the caps, the Senate Judicial Proceedings Committee increased these amounts further and added unfavorable language to the notice provision.

In the final hours of session, MML was informed that the conference committee would remove the damaging language in the notice provision, adjust the notice requirement from six months to one year, and set the caps at \$400,000 and \$800,000, respectively.

Public Information Act - The General Assembly legislation passed **SB 695/HB 755**, which makes several changes to public disclosure requirements under Maryland's Public Information Act (PIA), including the establishment of a Public Information Act Compliance Board and an Office of Public Access Ombudsman. The Compliance Board will hear only claims brought by the public alleging unreasonably high fees for document preparation and production. The Ombudsman will be available to members of the public and local governments for general compliance questions arising from PIA requests. Other key provisions include the retention of the two "free" hours of staff time to complete a PIA request, the ability to charge "actual costs" in responding to a PIA request, and the requirement that a custodian must respond to a requestor within ten working days regarding the status of the request. The bill also eliminates a liability provision affecting custodian's information, which was in the bill as introduced.

Legislation with Local Government Impact that Failed

HB 995, which would have significantly restricted the use of pesticides, was never voted out of committee. A similar fate was met by **HB 583**, legislation that would have required an agenda to be provided under the Open Meetings Act. Once again this legislative session, bills were introduced to address the proliferation and impact of plastic bags on the environment. This year's bills (**SB 620/HB 551**) took a new direction in that instead of imposing a fee on plastic bags, the bills prohibited a retailer from distributing plastic disposable carryout bags. Additionally, a store could have provided customers with disposable *paper* bags, but were required to charge a fee of 10 cents per paper bag. A portion of the monies would have been disbursed to municipalities and counties for environmental programs.

Looking to the Future

SB 40/HB 385, Maryland Healthy Working Families Act, was introduced early in session to provide employees with earned sick and safe leave. The legislation included local governments with as few as ten employees and covered part-time and seasonal workers as well. Although this legislation has not passed in recent years, it is believed that the issue will be given serious consideration next year.

There were also several bills introduced that affected revenues generated by the imposition of a business personal property tax. Of particular note was **SB 590/HB 480** introduced by the Administration to provide personal property tax relief for small businesses. The legislation exempted a business that owns or leases business personal property with a total assessed value of \$10,000 or less from paying personal property tax after December 31, 2016. The legislation also waived the \$300 filing fee and provided a phased-out repayment schedule for local governments. Although SB 590 did pass the House in an amended form, both bills stalled in the House Ways and Means Committee without coming to a vote. It is likely that this issue will be revisited by the Administration next session.