

OUTLINE OF ISSUES FOR MARYLAND 2018 REGULAR SESSION

OVERVIEW

- Divided Government (Republican Governor, Democratic General Assembly)
- Election Year
- 2018 General Session started January 10
- 284 House Bills & 258 Senate Bill introduced as of January 19

FY 2019 BUDGET

- Governor's proposed FY2019 budget (operating + capital) is \$44 billion – a 2% increase over FY 2018 budget. Along with operating and capital budget bills, there is a Budget Reconciliation and Financing Act (BRFA) that makes temporary or permanent adjustments to statutory spending requirements and is considered along with the budget bills.
- Local Highway Funding – includes \$178.1 million in highway user revenues, in addition to \$53.7 million in additional local transportation grants. This is approximately 8 percent more than last year, which included \$175.5 million in highway user revenues and \$38.4 million in additional grants. Last year, 23 counties received \$12.8 million in grant money, after the legislature cut counties' portion from the Governor's proposed \$27.4 million. This year, the Governor is proposing \$27.8 million to those counties.
- Flat funding for local health departments at FY 2017 levels (\$49.5 million)
- Local police aid – unlike last year, not flat funded
- Education fully funded by State (\$ 6.5 billion for K-12 (\$100,000 increase over FY 2018), while community colleges get \$261 million (\$5 million increase over FY 2018). \$365 million goes to school construction projects
- Increases county funding requirement for State Department of Assessments and Taxation from 50% to 90% (includes all departmental costs, not just those related to county tax assessments). However, no provision for any kind of county management or oversight role.
- Environment and Program Open Space funding appear basically untouched
- Future Caps on Mandated Funding

- BRFA includes uncodified language that starting in FY2020 caps all mandated funding increases (except for specific K-12 education programs, Rainy Day Fund deposits, debt service payments and pension fund payments) to 1 percent less than the reported amount of general fund revenue growth.
- BRFA also includes language that requires the General Assembly whenever they propose increasing an amount of spending for a program to reduce an equal amount of funding from another funding mandate
- Future Issues
 - State faces an ongoing structural deficit that is expected to grow to around \$1 billion over the next several fiscal years
 - Capital budget at state's imposed spending affordability limits for next several years

MACo INITIATIVES

- Local Infrastructure Fast Track for Maryland (Lift4MD)
 - Restoration of local highway user revenue and local infrastructure assessment survey
- Strong and Smart State Funding for School Construction
 - Maintain State funding commitment to public school construction and add options for alternative financing, public-private partnerships, and innovative models of school construction and design
- Align Public Access Laws with Modern Technologies
 - Restrict providing residents' personal contact information that is used for distributing official news, notices, or emergency alerts under Maryland Public Information Act (PIA)
 - Address when footage from body cameras, drones, or robots should be released under the PIA
 - Close loopholes relating to providing a person's date of birth or social security number under the PIA
- Advancing Maryland Next-Generation 9-1-1 Systems
 - Task Force to begin work on funding and policy challenges to move to Next Generation 9-1-1

OTHER KEY LEGISLATIVE ISSUES AFFECTING COUNTIES

- Tax reform to address negative effects of federal tax reform on Maryland taxpayers
- Forest Conservation Act reform
- Small cell siting
- Attorney Fees for Constitutional Violations
- Phase I MS4 Permit negotiations (no legislation but occurring concurrently)