



# GREATER BALTIMORE COMMITTEE

*Regional business leaders creating a better tomorrow...today.*



September 26, 2018

## State House Update

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**GBC'S 2018 AGENDA**

[GBC's 2018 Legislative Agenda](#)

**GBC'S LEGISLATIVE TRACKER**

### Message to Members

Marylanders went to the polls on June 26 to vote in the Primary Election. The Primary Election brought about significant changes to the makeup of the legislature. The election results tell us that the minimum turnover in the Maryland General Assembly may be higher than other election year cycles. In the Maryland Senate, the turnover rate is already at 34 percent, pending the results of the General

To read testimony and get more information about bills the GBC tracked this year, visit our legislative tracking website.

## MD GENERAL ASSEMBLY

General Assembly Website

Committee Schedule

## GBC EVENTS

**October 2, 2018**

Best Practices for Managing Opioid Abuse Forum

**October 10, 2018**

Breakfast Briefing: Effective Networking and Business Development

**October 11, 2018**

Transportation Summit

**October 17, 2018**

Newsmaker Breakfast with United States Attorney for the District of Maryland  
Robert H. Kur

**November 5, 2018**

Newsmaker Breakfast featuring Kenneth Thompson, Monitor of the Consent Decree between Baltimore and U.S. Department of Justice

**November 14, 2018**

Bridging the Gap Achievement Awards

**December 5, 2018**

Mayor's Business Recognition Awards Luncheon

Event and sponsorship

Election. In the House of Delegates, the turnover is at 26 percent. To compare, the turnover of the Maryland Senate after the 2014 election was 21 percent and the House turnover in 2014 was nearly 37 percent.

In total, five Senators and seven Delegates lost their seats. Notable incumbent losses included:

- Senator Nathaniel McFadden, Senate President Pro Tem
- Senator Thomas McLain "Mac" Middleton, Chair of the Finance Committee
- Senator Joan Carter Conway, Chair of the Senate Education, Health and Environmental Affairs Committee
- Delegate Joseph Vallario, Chair of the House Judiciary Committee

Political pundits suggest that following the General Election on November 6 several more legislators will lose their seat. The makeup of the 2019 Maryland General Assembly will be very different. For the Greater Baltimore Committee, the challenge will be to educate the new legislators of the elements of a competitive business climate.

As always, if you have any questions or concerns, please feel free to contact me.

Sincerely,



Donald C. Fry  
President and CEO

## Leadership Changes Abundant for 2019

To many, the results of the June 26 Primary Election were surprising in the context of experience lost and significant changes to leadership, especially in the Senate. Pending the results of the General Election, the Senate and House have announced many of their most important leadership positions for 2019:

### Senate of Maryland

information:  
Lisa Byrd at 410-727-2820

### STAFF CONTACTS

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### AMBASSADOR SPONSOR



### SIGNATURE SPONSORS



	2018	2019
Senate President	Mike Miller	Mike Miller
Budget & Taxation Chair	Ed Kasemeyer	Nancy King
Budget & Taxation Vice-Chair	Richard Madaleno	Bill Ferguson
Finance Chair	Mac Middleton	Delores Kelley
Finance Vice-Chair	John Astle	Brian Feldman
Ed., Health & Env. Affairs Chair	Joan Carter Conway	Paul Pinsky
Ed., Health & Env. Affairs Vice-Chair	Paul Pinsky	Shirley Nathan-Pulliam
Judicial Proceedings Chair	Robert Zirkin	Robert Zirkin
Judicial Proceedings Vice-Chair	Delores Kelley	Will Smith

### House of Delegates

	2018	2019
House Speaker	Mike Busch	Mike Busch
Speaker Pro Tem	Adrienne Jones	Adrienne Jones
Majority Leader	Bill Frick	Kathleen Dumais
Appropriations Chair	Maggie McIntosh	Maggie McIntosh
Appropriations Vice-Chair	Tawanna Gaines	Tawanna Gaines
Economic Matters Chair	Dereck Davis	Dereck Davis
Economic Matters Vice-Chair	Sally Jameson	Eric Bromwell
Env. & Transportation Chair	Kumar Barve	Kumar Barve
Env. & Transportation Vice-Chair	Dana Stein	Dana Stein
Health & Govt. Ops. Chair	Shane Pendergrass	Shane Pendergrass
Health & Govt. Ops. Vice-Chair	Eric Bromwell	Joseline Pena-Melnyk
Judiciary Chair	Joe Vallario	Luke Clippinger
Judiciary Vice-Chair	Kathleen Dumais	Vanessa Atterbeary
Ways & Means Chair	Anne Kaiser	Anne Kaiser
Ways & Means Vice-Chair	Frank Turner	Jay Walker

## Gubernatorial Action on Legislation

Governor Larry Hogan vetoed several bills following the close of the 2018 session of the Maryland General Assembly. Unlike legislation that is vetoed following the first three sessions of a four-year term, the legislature will not be able to attempt an override for this year's vetoed bills absent a special session held in advance of the 2019 legislative session. The reason is that a new legislature, elected in the 2018 election, cannot override vetoed legislation passed by the previous legislature.

Of legislation passed in the 2018 General Assembly session, the Governor signed 778 pieces of legislation and allowed 55 bills to become law without his signature. Vetoed bills included the following:

- **Senate Bill 178 -- State Retirement and Pension System - Board of Trustees - Oath**
- **Senate Bill 838/House Bill 891 -- Criminal Procedure - Coram Nobis - Time for Filing**
- **Senate Bill 572/House Bill 1243 -- Prevailing Wage Rates - Public Work Contracts - Suits by Employees**
- **House Bill 548 -- Privately Owned Transportation Projects - Construction and Authorization to Use**



### **State-Owned Rights-of-Way and Property - Requirements**

- **House Bill 335 -- State Personnel - Grievance Procedures - Exclusive Representatives**
- **Senate Bill 875/House Bill 981 -- Online Electioneering Transparency and Accountability Act**

The Governor also vetoed House Bill 180 -- *Railroad Company - Movement of Freight - Required Crew*. During the 2018 session and in previous sessions, the GBC vigorously opposed this legislation. The bill sought to prohibit a train or light engine used in connection with the movement of freight that shares the same rail corridor as passenger trains from being operated in the State unless it has at least two crew members. The proposed legislation was unnecessary and would harm the competitiveness of the Port of Baltimore. The GBC directly engaged with the office of Governor Hogan to request a veto of House Bill 180. If the bill had not been vetoed, Maryland would be only the third state in the country and the only state in the mid-Atlantic region to legislatively mandate the size of crew members on freight rail lines.

### **Comptroller Proposes Online Sales Tax Rules**

Maryland Comptroller Peter Franchot proposed sales tax rules for online transactions following a June 21 ruling by the U.S. Supreme Court in *South Dakota v. Wayfair Inc.* that allows states to collect sales tax for online sales. The new sales tax regulations apply to online retailers that either have a minimum of 200 transactions in Maryland or sales on taxable goods and services in the State exceeding \$100,000 annually. Before the ruling, online retailers were required to collect sales tax only in states where they had a physical presence. As the economy and commerce has evolved and online transactions have grown, states have been unable to collect sales taxes in many cases. Prior to this change in sales tax rules, it has been estimated that Maryland loses as much as \$176 million annually in sales tax from online sales.

### **Maryland Ends FY 2018 with a Surplus**

Maryland, unlike the federal government, is constitutionally required to enact a balanced budget. On that front, there is some good news coming out of Annapolis. The State of



Maryland finished FY 2018 with a \$504 million surplus. This was due to strong returns from the capital gains tax, lower spending by State agencies and slightly increased revenues from income, corporate and sales taxes. These factors, coupled with changes to online sales tax collection and other federal tax changes could result in further uncertainty to future revenue models. These financial and budget dynamics will be a topic of discussion for budget leaders during the 2019 session.

## Upcoming Dates of Interest

On [October 2](#), the GBC is hosting a breakfast forum on Best Practices for Employers Managing Opioid Abuse. This event will begin at 8:00 a.m. at the University of Maryland BioPark, 801 West Baltimore Street, Baltimore, MD 21202.

On [October 10](#), the GBC is hosting a Breakfast Briefing on Effective Networking and Business Development. This event will begin at 7:30 a.m. at the GBC, 111 South Calvert Street, Suite 1700, Baltimore, MD 21202.

On [October 11](#), the GBC is hosting its annual Transportation Summit, focused on our neglected transportation infrastructure. The event will begin at 7:30 a.m. at the Baltimore Marriott Inner Harbor at Camden Yards, 110 South Eutaw Street, Baltimore, MD 21202.

On [October 17](#), the GBC is hosting a Newsmaker Breakfast with United States Attorney for the District of Maryland Robert K. Hur. This event will begin at 7:30 a.m. at the GBC, 111 South Calvert Street, Suite 1700, Baltimore, MD 21202.

On [November 5](#), join the GBC for a Newsmaker Breakfast featuring Kenneth Thompson, the Monitor of the sweeping Consent Decree mandating local police reforms between Baltimore and the U.S. Department of Justice. Thompson will update the business community on the status of the reform efforts and next steps in the process.

On [November 14](#), the GBC will celebrate exceptional minority and women-owned businesses and majority businesses and executives who nurture the development of minority businesses in Greater Baltimore at its Bridging the Gap Achievement Awards. Honorees will be celebrated starting at 5:30 p.m. at the Horseshoe Casino Baltimore, 1525 Russell Street, Baltimore, MD 21202.

On [December 5](#), the GBC is hosting its annual Mayor's Business Recognition Awards Luncheon. The event will begin at 11:30 a.m. at the Renaissance Baltimore Harborplace Hotel, 202 East Pratt Street, Baltimore, MD 21202.