



GREATER BALTIMORE COMMITTEE

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

2019 END OF SESSION SNAPSHOT

The 2019 legislative session of the Maryland General Assembly adjourned "Sine Die" at midnight on April 8. With 17 new Senators and 43 new Delegates joining the General Assembly in the first legislative session of a four-year term, a number of important issues were considered that affect the Greater Baltimore region's business climate.

Speaker Michael E. Busch

The Greater Baltimore Committee and the State of Maryland are saddened by the passing of Speaker of the House Michael E. Busch. Speaker Busch was elected to the House of Delegates representing the Annapolis area in 1986 and was selected by his peers to serve as Speaker in 2003. GBC President and CEO Donald C. Fry said that "Busch possessed leadership qualities that are rarely found today. He was respectful of legislators and advocates with divergent political philosophies and always made them feel that they had a fair chance to express their views. He was always mindful of the importance of the General Assembly as an institution and the importance of maintaining the integrity of the body. Those traits explain how he became the longest-serving Speaker of the House in Maryland's history. The State of Maryland will miss his commitment to do the right thing and the stability that he brought to the General Assembly."

Preakness and Pimlico Race Course

The GBC, Baltimore City leaders and others from the region joined together to ensure the future of the Preakness Stakes at Pimlico Race Course. The GBC supported legislation to create a Pimlico Race Course Study Workgroup and opposed a bill that would allow Racetrack Facility Renewal Account funds to be used to build a "super track" at Laurel Park. Both bills were unsuccessful. Overall, this is a victory for Pimlico. Throughout the session, but notably in the waning days, leaders of the Baltimore City Delegation voiced their strong opposition to moving the Preakness from Pimlico. Hopefully, the unsuccessful legislative efforts will bring the parties together over the interim to address the future of Pimlico, its surrounding neighborhoods and the Preakness.

Johns Hopkins Police Force

The GBC supported successful legislation to authorize Johns Hopkins University to create a police force. The GBC has identified public safety as the number one concern for businesses and an important component for a competitive business environment. The creation of a Johns Hopkins University police force does not address all public safety concerns in Baltimore City, but it is a positive step forward. The bill allows Johns Hopkins University, the region's largest employer, a 100-person police force. The existence of a police force at Johns Hopkins is consistent with similarly authorized police forces currently patrolling the State's public colleges and universities.

Budget Challenges

The Maryland General Assembly passed a balanced \$46.6 billion General Fund budget for Fiscal Year 2020 amid growing concern over a looming economic slowdown or possible recession. Maryland's expected revenues were reduced for the current fiscal year by \$138 million and roughly \$131 million for Fiscal Year 2020, signaling an economic slowdown may have already begun. With potentially declining revenue growth and planned increases in school spending stemming from implementation of the Kirwan Commission education reform recommendations (see below), next year's budget negotiations could be increasingly difficult and contentious.

The Blueprint for Maryland's Future

The General Assembly adopted several recommendations of the Commission for Innovation and Excellence in Education, known as the Kirwan Commission after its Chair, former University System of Maryland Chancellor William "Brit" Kirwan, as part of the Blueprint for Maryland's Future. These recommendations add increased funding in a number of areas, including teacher salaries, students with disabilities and an expansion of pre-K for low-income four year olds. The legislature approved \$255 million to begin implementing these changes in Fiscal Year 2020, which begins July 1, 2019. During the interim, the Commission will work to identify future costs and the allocation between State and county funding. The GBC will monitor this effort.

\$15 per Hour Minimum Wage

Legislation to raise Maryland's statewide minimum wage to \$15 per hour passed after previous year's efforts fell short. The GBC successfully fought for several amendments, including extending the phase-in period to reach a \$15 per hour minimum from 2023 to January 2025 and July 1, 2026 for small businesses with 14 or fewer employees. Governor Larry Hogan vetoed the legislation, but the Senate and House voted to override the veto.