

PUBLIC POLICY PARTNERS

INNOVATIVE POLICY SOLUTIONS

City of Takoma Park Legislative Priorities 2020 Legislative Session

November 6, 2019

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I. **2019 Session Overview**

- a. Takoma Park monitored and tracked over 200 bills and testified or advocated in support or opposition of approximately 20 bills.
- b. Issues identified by the City included economic development assistance, preventing the widening of Rt. 410, state bond bill funding for the library renovation, protecting small businesses during Purple Line construction, increasing municipal revenues, housing and landlord/tenant issues, and climate change.

II. **Preview of 2020 Legislative Session**

The 2020 session is the second session of the current four-year term of the Maryland General Assembly (MGA). Over the interim, major leadership changes have taken place starting in the House with the election of a new Speaker, Delegate Adrienne Jones (D-10, Western Baltimore County) who replaces the late Speaker Mike Busch. In the Senate, President Thomas V. Mike Miller will resign from his position as Senate President. Senator Bill Ferguson (D-46, Baltimore City) has been selected by the Senate Democratic Caucus to be their nominee when session convenes. The official selection of the Senate President will happen on the first day of Session in January.

- a. **Leadership Changes** – House leadership changes were announced earlier in the interim, a copy of that announcement was provided to Council. Of note, Delegate Eric Luedtke (D-14, Montgomery County) has been appointed Majority Leader. A few other changes are expected, including Chair of the Capital Budget Subcommittee.

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Leadership changes in the Senate are currently unknown, but many are anticipating that some changes will occur, the timing of those changes and whether committee chairs will change are among the biggest questions leading into the session.

- b. **2020 Budget:** For the second year in a row, the state ended the fiscal year with a surplus over \$500 million. Part of this is from a higher return on the state's capital gains tax, and part is due to state agencies spending less than budgeted. The Spending Affordability Committee is meeting next Wednesday and will announce budget projections for the coming year. PPP will provide an update to the budget forecast closer to the start of session if there are any substantive announcements.
 - i. The *Blueprint for Maryland's Future* aka Kirwan Commission will make up much of the budget debate this session with budget projections of an additional \$4 billion/year (by 2030) needed from state and local governments and the need to find revenue sources to pay for it. More information about the core of the Blueprint legislation can be found below. In terms of budget conversations, Governor Hogan has indicated he plans to allocate funding to school construction and not the Blueprint recommendations, setting up a major debate for session.
 - ii. *State Employees* are expected to be a major topic in the budget. Unions representing state employees have raised concerns about understaffing throughout the state government system with numerous vacancies going unfilled. The issue of prescription drug benefits for state employees is also driving large numbers of state employees to retire by the end of 2019. Both issues have already spurred emergency hearings and inquiries from legislators.
 - iii. *Revenues* will be at the center of budget discussions due to the large costs associated with the Blueprint legislation. The MGA will be looking for new sources of revenue from legalizing sports betting to recreational adult use of marijuana. There will likely be more attention given to tax loopholes and it's possible that some issues that have not gained a lot of traction before will get more attention such as combined reporting, a carbon tax and local government revenues.
- c. **2020 major issues:** Session will begin with eight veto overrides – abolishing the handgun permit review board, oyster protections, prohibitions on employers from asking about criminal history (ban the box), expansion of the Maryland Dream Act, Bikeways Network Program and Central Maryland Regional Transit Plan, railroad freight crew requirements, state personnel grievance procedures, and new requirements and delegation of authority for state personnel appointments.

- i. The *Blueprint for Maryland's Future* – Education policy recommendations, funding formulas, and how to raise state and local revenues to pay for implementation will be central **to all revenue conversations and budget debates**, and is expected to be a divisive issue between Democrats and Republicans, but in particular between the Governor and the legislature. Current budget estimates call for an additional \$2.8 billion in state funds and \$1.2 billion in local government funds per year by 2030 when full implementation of the recommendations are expected to be in place. Major goals of the Blueprint legislation include preparing all students to be “career or college” ready upon graduation, universal Pre-K for all 4 and 3 year olds, expanding support services for students, increasing teacher salaries and wages for all education and support personnel, increasing supports for students in need such as English language learners, students with disabilities and students in high poverty concentrations, and accountability to ensure funds reach students and schools.
- ii. *Pimlico and Laurel Racetracks* – A \$375million plan is in place to save the Pimlico and Laurel Racetracks. The tracks and facilities require major renovations and are necessary to keep the Preakness in Maryland, a top priority for state leaders. While the deal has been agreed to by state legislators, Baltimore City, track owners and other stakeholders, it will require changing state law to allow for different bonding authorities to be utilized and to direct a portion of the state’s casino revenues to paying for racetrack improvements. There is likely to be some controversy around doing so at a time when the state needs revenues, particularly those dedicated to the education trust fund.
- iii. *Transportation* – While no particular legislation has been discussed at this time, transportation around the state is likely to be a major topic. Beltway widening, I-270 hot lanes, and bay bridge reconstruction continue to be contentious issues that will likely come up in budget conversations and legislation.
- iv. *Environment* – Environmental issues that are expected to arise include a state-wide plastic bag fee, carbon taxation, community choice aggregation, the Conowingo Dam, green jobs and an amendment to the state constitution establishing the right to a healthy and healthful environment.

- v. **MML Priorities** – Restoring highway user revenues and maintaining local control of cell towers/5G continue to be top priorities for the Maryland Municipal League in 2020.

III. **City Priorities for MML LARS**

- a. **Property Tax Deferrals:** The City is interested in legislation that would “grant municipal authority to implement property tax deferrals to certain categories of homeowners, such as elderly or low-income residents. The deferred property tax would be due at the time the property is sold. This authority is currently granted to some counties.”
- b. **Community Choice Aggregation:** Following up on legislation introduced last year, the City is supportive of “legislation to authorize a group of counties and/or municipalities to form or join a “community choice aggregator” to purchase or generate electricity from renewable sources for their residents. The City Council has championed such legislation in the past.”
- c. **Rental Hazards:** The City would like to support any legislation or sources of funding to assist rental property owners to eliminate environmental hazards in rental properties, including lead.”

IV. **Development of Legislative Priorities**

- a. **Municipal Revenues:** The City continues to seek other revenue alternatives to property taxes that would allow municipalities to raise revenue such as a larger share of local tax revenues or granting municipalities authority to raise their own tax revenues and/or fees. With a focus on raising new sources of revenue at the state level, and the need for counties to raise additional revenue to pay for their share of the Blueprint funding formulas, this session may provide opportunities for municipalities to advocate for enabling legislation at the municipal level. PPP will identify opportunities for the City to participate in this advocacy.
- b. **Affordable Housing & Landlord/Tenant:** Legislation relating to housing continues to be a priority for the City. PPP will identify legislation that seeks to protect tenants such as just cause eviction legislation, legislation that helps make home ownership more affordable, and bills addressing lead and other health hazards in rental housing.
- c. **Climate Change:** Recognizing the City’s goal of limiting its environmental footprint and concerns for climate change, PPP will identify and monitor legislation pertaining to climate change such as a carbon tax, community choice aggregation, forest

preservation, and grant funding or other economic incentives that can assist the City with reducing its environmental footprint and increase climate resilience.

V. Other State Level Priorities for 2020

The City continues to pursue several priorities throughout 2020:

- a. **Traffic Impacts from Purple Line Construction:** PPP will assist the City in their efforts to work with State and County officials to hold MDOT and SHA accountable for better management of traffic during Purple Line construction. This includes making entering and exiting retail centers more efficient and having flagging operations or officers present to direct traffic.
- b. **Housing and Economic Development Strategic Plan:** During the 2020 legislative session and throughout the year, the City will pursue state grant funding prospects and other funding sources such as opportunity zone funds that support the City's Housing and Economic Development Strategic Plan.

VI. 2020 Session Dates

- a. December 11, 2019 – Takoma Park City Council and D20 Legislative Briefing
- b. January 8 – First Day of Session
- c. January 15 – Governor's Budget Due
- d. February 3 – Senate Bill Introduction Deadline
- e. February 7 – House Bill Introduction Deadline
- f. March 16 – Crossover
- g. April 6 – Sine Die