



Legislative Advocacy – End of Session Report – 2020

June 24, 2020

Public Policy Partners (PPP) is pleased to provide the City of Takoma Park with this end of session report for the 2020 Maryland General Assembly Session detailing the legislative outcomes of issues important to the City.

As the City's legislative advocate for the last four sessions, I am thankful for the opportunity to work with the City of Takoma Park and represent the City on a wide range of policy and budget issues. This year was unique and challenging in many respects, but the City still advocated successfully on several issues and forged new relationships with advocates and elected officials.

This session, the General Assembly adjourned early on March 18, 2020 after meeting for only 71 days due to the novel coronavirus pandemic. Despite the shortened session, the legislature was able to pass a budget and a number of bills that managed to work through both chambers before early adjournment. Many bills that were likely to pass did not make it through before adjournment—this was merely due to time running out and was not reflective of the legislation's merit. In the final days of the session, the legislature was able to pass emergency budget allocations and policy aimed at blunting the financial impact of the pending public health crisis and expanding access to public health resources. At the end of the shortened session, leadership indicated a special session would be held in early summer to take up legislation that had run out of time. However, given the long-term nature of the virus, it seems unlikely that a special session will happen in 2020, unless it is required for budgetary reasons.

Legislative Priorities

In 2020, PPP tracked over 175 bills in addition to the Operating and Capital budget for the City. Legislative highlights on select bills and issue areas of particular interest to the city are presented in the 2020 Legislative Highlights Report and a complete list of all legislation tracked for the City is available in the final bill chart.

In the Fall of 2019, the City identified a number of legislative priorities and goals for the 2020 session which PPP presented in November at the Session Preview and later discussed again by Council in December at the District 20 Priorities Hearing.

Legislative topics from the City’s priority list with policy action this session included:

- a. **Community Choice Aggregation:** As in previous years, the City supported legislation to allow for community choice aggregation of energy including net metering and community solar energy purchasing by supporting [HB 561 & SB 315](#). This bill passed the House but ran out of time before early adjournment.
- b. **Rental Hazards:** The City made it a priority to support “any legislation or sources of funding to assist rental property owners to eliminate environmental hazards in rental properties, including lead.” While a few bills addressing lead in rental properties were introduced this session, none passed out of committee.
- c. **Municipal Revenues:** The 2020 session provided many opportunities to discuss the need for new revenues to fund a number of State financial commitments including the Blueprint for Education, large investments in school construction and transportation projects, however, no new substantial sources of revenue were passed. Two proposals had the potential to raise significant revenues – full restoration of Highway User Revenues [HB 1394 & SB 982](#) which would have benefited local governments and [HB 1628](#) which would have modified the State sales tax on services to cover a broader range of services. Neither proposal passed out of committee.
- d. **Affordable Housing & Landlord/Tenant:** The City once again made a strong commitment to advocating for legislation related to affordable housing and protecting tenants. This session, the City supported two bills introduced by District 20’s Delegate Wilkins—the Stable Homes Act [HB 821](#), which again passed the House Delegation but did not make it out of the House Environment and Transportation Committee (no vote held) and [HB 790](#) which would have provided a tax credit for multifamily housing units to meet water and energy efficiency goals (no vote held). The City also supported statewide legislation prohibiting discrimination based on a tenant’s source of income, [HB 231 & SB 530](#) which finally passed after over a decade of advocacy.
- e. **Climate Change:** Another policy area where the City leads in local government advocacy, PPP helped the City identify legislation targeted at reducing its environmental footprint and increasing climate resilience. Multiple bills were introduced from renewable energy portfolio standards to the Greenhouse Gas Reduction Act. Unfortunately, very little environmental legislation passed before the session adjourned early. One bill of note, [HB 539 & SB 457](#) establishes local government resilience authorities and permits the use of bonds to help finance projects.
- f. **Traffic Impacts from Purple Line Construction:** The City prioritized passing legislation to hold MDOT and SHA accountable for better management of traffic during Purple Line construction. This advocacy began early on and resulted in Senator Smith and Delegate Wilkins reintroducing [HB 540 & SB 645](#) to establish a tax credit and grant program to help businesses affected by Purple Line Construction. While the bill itself ran out of time before passage, \$2 million was allocated in the budget to fund the grant program.

Budget

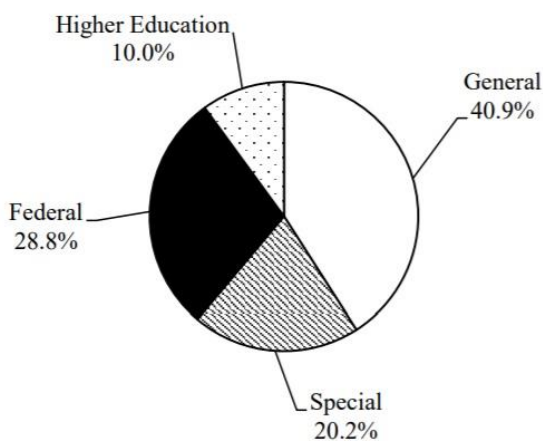
Before adjourning early due to the novel coronavirus, the legislature was able to fulfill their constitutional duty to pass the fiscal 2021 budget. A comprehensive report on the state budget and fiscal outlook can be found in the [“2020 Session Major Issues Review,”](#) however, much of the short and long-term budget outlook is unknown given the current economic situation. The fiscal impact of the novel coronavirus has left significant uncertainty about future revenues. Federal aid continues to change as new packages are passed by Congress, while reimbursements to the state and local governments remain inconsistent and uncertain. Late fiscal 2020 spending freezes, a budget reduction of \$121 million in fiscal 2020, and the Governor’s veto of legislation with mandated spending are only the beginning of budget reductions in calendar 2020. Early projections regarding the economic impact of the novel coronavirus on Maryland’s economy estimated an economic loss of \$2.8 billion by June 30, 2020, but this was later adjusted to an estimated loss of \$925 million. Actual figures should be available shortly after fiscal 2020 closes on June 30th. As the state moves forward into fiscal 2021, it is important to note that the Maryland Constitution authorizes the Governor to make budget cuts up to 25% without General Assembly approval, but budget cuts of 25% or more would require the Governor to call a special session. With the state proceeding in a staged reopening process, revenue projections have been difficult to make, but significant budget reductions are expected in coming months.

Prior to the legislature convening, the State was in a better financial position than previously anticipated. Concerns about a structural deficit still remained, but the budget shortfall predicted in prior years had not come to fruition. Given the swift changing nature of the novel coronavirus and the need to pass the budget before adjourning, the General Assembly managed to pass a budget that increases spending by only 1.4%. This is especially significant given that the legislature managed to set aside substantial resources for the State to use in responding to the impending public health and economic crisis. State aid to local governments increased by 4.1% following an increase of 6.9% in fiscal 2020. The budget also includes bond bill funding of \$350,000 for Long Branch-Garland Neighborhood Park, which is located in Silver Spring but serves many City residents.

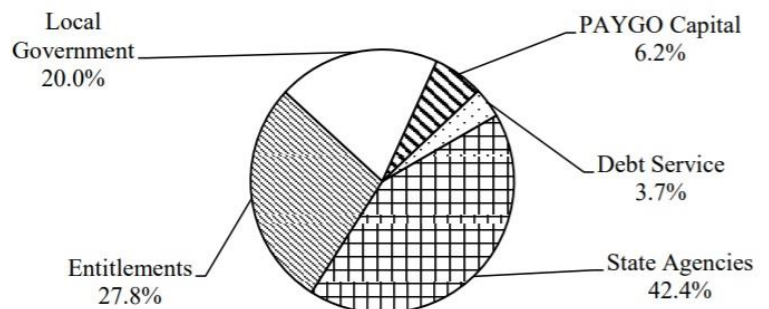
Exhibit A-1.1

Maryland’s \$48.0 Billion Fiscal 2021 Budget

Where It Comes From: Budget by Fund Source



Where It Goes: Budget by Purpose



PAYGO: pay-as-you-go

[2020 Session Major Issues Review](#)