

THE Maryland Municipal League

2024 Final Legislative Report

Legislation Affecting Municipalities

Preface

MML's 2024 Final Report on Legislation Affecting Municipalities illustrates the scope of League activities during the 2024 regular session of the Maryland General Assembly. A copy is being sent via email to each member municipality to apprise local officials of legislation passed during the session that may influence their operations and activities. Persons receiving this report are encouraged to share this information with other appropriate officials in their cities or towns.

There were 2,728 bills and joint resolutions introduced in the General Assembly during the 2024 regular session. League staff reviewed all bills and their many amendments to determine their impact on local government. During the session, MML sent legislative updates in the weekly *eBulletin* to keep members informed about bills with potential municipal government impact. The Legislative Committee debated these bills and as a result, MML actively supported, supported with amendments, or opposed a total of 91 bills, and closely monitored several others. League efforts were directed by the decisions of the MML Legislative Committee and facilitated by the activities and support of local chapters and individual municipal officials.

This report provides a summary of significant statewide bills passed by the General Assembly that will affect Maryland's municipalities, including those bills tracked by the League. These measures are organized according to general subject headings and are presented with a link to the bill page on the <u>Maryland General Assembly</u> website. Summaries are taken from the <u>2024 Maryland 90 Day Report</u> produced by the Department of Legislative Services, which provides information on the significant bills passed during the General Assembly this year.

We recommend this compilation for your general use and guidance. In areas where significant legal questions may arise, we urge that you consult your municipal attorney.

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2023-2024 Legislative Committee

The MML Legislative Committee is charged with several duties, including the review of all Legislative Action Requests (LARs) submitted to the Committee by chapters, departments, and individual member municipalities. After appropriate consideration of all LARs, the Committee recommends a formal legislative program to the League's Board of Directors for approval.

The 2023-2024 Committee began meeting during the summer of 2023, where they debated and then selected a recommended legislative priority program, which was presented to the MML Board for approval. Beginning on the first day of the 2024 General Assembly session, the Committee continued to meet every seven to ten days during which time the Committee guided the League's program and taking positions on legislation affecting municipalities statewide.

Chair- Scott Nicewarner, City Administrator, Hagerstown Vice Chair- Christopher Nevin, Mayor, Hampstead

Jud Ashman, Mayor, Gaithersburg Nathan Brown, Mayor, Brunswick Anthony Scott Casey, Dia Costello, Mayor, Glen Echo Diane Foster, Councilmember, Taneytown David Foster, Mayor, Chestertown Sara Green, Clerk, Laurel Russ Hamil, Police Chief, Laurel Dan Hoff, Councilmember, Westminster Jeannine James, Mayor, La Plata Perry Jones, Mayor, Union Bridge Dashaun Ball, Clerk, Seat Pleasant Abigail McNinch, Mayor, Denton Richard Meehan, Mayor, Ocean City Micheal Mezey, Councilmember, Friendship Heights Micheal O'Connor, Mayor, Frederick Erick Perla, Assistant City Attorney, Gaithersburg Jeffrey Silka, Administrator, Cumberland Gregory Varda, Director of Recreation, Greenbelt Joy White, Councilmember, Chevy Chase

Legislation Impacting Municipalities by Issue Area

Taxes

<u>SB 14/</u>HB 1281 <u>- Economic Development - Tourism Zones - Designation and Benefits - Economic Development - Tourism Zones - Designation and Benefits</u>

<u>SB 14</u> / <u>HB 1281</u> authorizes Baltimore City, counties, and municipalities in the State to (1) designate specified tourism zones; (2) exempt the gross receipts from any admissions or amusement charge levied by a qualifying tourism enterprise in a tourism zone from admissions and amusement taxes; and (3) grant property tax credits against county and municipal real and personal property taxes to qualifying tourism enterprises located in a tourism zone.

SB 108/ HB 646 - Income Tax - Subtraction Modification - Police Auxiliary and Reserve Volunteers

Current law authorizes personal income tax subtraction modifications of \$5,000 for qualifying police auxiliaries and reserve volunteers and \$7,000 for qualifying volunteer fire, rescue, or emergency medical services members. <u>Senate Bill 108/House Bill 646</u> (Chs. 15 and 16) consolidate both subtraction modifications under a "public safety volunteer" subtraction modification. The Acts also increase the value of the subtraction modification for police auxiliaries and reserve volunteers from \$5,000 to \$7,000 beginning in tax year 2024.

SB 321/HB 765 - Property Tax - Credit for Hotel or Residential Development Projects

<u>SB 321</u> / <u>HB 765</u> authorizes local governments to grant a property tax credit against the county or municipal property tax imposed on real property that is used for hotel or residential development projects that meet certain criteria. The bills also repeal certain provisions relating to a similar property tax credit authorized for development projects in Wicomico County (Chapters 715 and 716 of 2021). However, the bills do not affect hotel or residential development projects in Wicomico County that began on or after July 1, 2021, but before June 1, 2024.

<u>SB 446/HB 280 - Local Government - Condominium and Homeowners Associations - Repair and Rehabilitation Funds</u>

<u>SB 446</u> / <u>HB 280</u> authorizes counties and municipalities to establish a local trust fund or other appropriate fund for the purpose of repairing or rehabilitating infrastructure within communities that are subject to the Maryland Condominium Act or the Maryland Homeowners Association Act. A fund established by a county or municipality must consist of (1) property tax revenues paid to the county or municipality by unit owners in a condominium or lot owners in a homeowners association; (2) other appropriations made by the county or municipality for the benefit of the fund; (3) gifts or donations made to the fund; and (4) investment earnings of the fund.

<u>SB 783/HB 1435 - Renewable Energy- Net Solar Metering Aggregation, Solar Renewable Energy</u> <u>Credits, and Taxes on Solar Energy Generating Systems (Brighter Tomorrow Act)</u>

<u>SB 783</u> / <u>HB 1435</u> makes several changes to legislation regarding solar energy and establishes and modifies several solar energy property tax incentives. extends from December 31, 2025, to December 31, 2030, the date by which a community solar energy generating system must be approved by the Public Service Commission (PSC) under the Community Solar Energy Generating Systems Program in order to be eligible for a personal property tax exemption. The maximum eligible system size is increased from two megawatts to five megawatts. Otherwise, the system must still meet other existing requirements in current law. The bill exempts specified nonresidential solar energy

generating systems that are constructed on the rooftops of buildings or on parking facility canopies from valuation and State or local property taxes. This provision applies only to a system approved by PSC under specified provisions of the Public Utilities Article on or after July 1, 2024; and authorizes local governments to reduce or eliminate, by law, the percentage of the assessment of any real property that is subject to the county or municipal property tax if the real property includes a parking facility on which a solar energy generating system has been constructed on its canopy. These provisions apply only to real property that includes a parking facility on which a system has been approved by PSC under specified provisions of the Public Utilities Article on or after July 1, 2024.

SB 822 - Income Tax - Subtraction Modification - State Law Enforcement Officers

Chapter 519 of 2016 established a personal income tax subtraction modification of up to \$5,000 of income earned by a law enforcement officer if (1) the officer resides in the political subdivision in which the officer is employed and (2) the crime rate in the political subdivision exceeds the State's crime rate. Subsequent legislation extended eligibility to law enforcement officers of the Maryland Transportation Authority Police, the Maryland-National Capital Park Police, and the Washington Suburban Sanitary Commission Police Force who reside in qualifying political subdivisions. Beginning in tax year 2024, <u>Senate Bill 822</u> expands eligibility for this subtraction modification to State law enforcement officers who reside in qualifying political subdivisions.

<u>SB 897/HB 1064 - Income Tax Subtraction Modification – Death Benefits – Law Enforcement</u> Officers and Fire Fighters

<u>Senate Bill 897</u>/<u>House Bill 1064</u> allows a personal income tax subtraction modification for a payment of a death benefit under a collective bargaining agreement from a county or municipality in the State to the surviving spouse or other beneficiary of a law enforcement officer or firefighter whose death arises out of or in the course of employment as a law enforcement officer or firefighter. The bills apply to tax year 2022 and beyond.

HB 54 - Property Tax - Transfer to Heir or Legatee - Payment Plans

<u>House Bill 54</u> requires the State Tax Sale Ombudsman within SDAT to contract with a vendor to operate an installment payment program available to any homeowner for the payment of property taxes, whether in advance, currently due, or in arrears. House Bill 54 also authorizes counties and municipalities to establish installment payment programs for taxes in arrears on any residential property. Finally, House Bill 54 provides exemptions from the requirement that all property taxes, assessments, and other charges due on a property be paid before a transfer. Specifically, the bill establishes exemptions for a transfer of residential property from an estate of a decedent to an heir or legatee if the heir, legatee, or grantee enters into a payment plan. In addition, the bill exempts a transfer of property that is subject to a payment plan if the grantee assumes the grantor's obligations under the payment plan.

HB 66 - Property Tax Credits - Public School Employees, Health and Safety Improvements, and Property Used for Local Housing Programs

<u>House Bill 66</u> authorizes county and municipal governments to grant a property tax credit for (1) residential real property that is owned by and is the primary dwelling of an employee of the public school system of the county where the residential real property is located; (2) an apartment building or a condominium building if the owner of the building made health or safety improvements to the building on or after July 1, 2024; and (3) an apartment building or a condominium building that is used on or after July 1, 2024, for the purposes of a local housing program for homeless individuals or families.

HB 490 - Income Tax - Subtraction Modification for Donations to Diaper Banks and Other Charitable Entities - Sunset Extension

Chapters 221 and 222 of 2021 established, for tax years 2021 through 2023 only, a subtraction modification against the State income tax for up to \$1,000 of eligible donations made by a taxpayer during the tax year to a diaper bank or other qualified charitable entity registered with the Comptroller. <u>House Bill 490</u> extends the subtraction modification through tax year 2026.

HB 1516 - Real Property Assessments - Notice of Change in Value or Classification - Time Period

Real property is valued and assessed once every three years, and each year, the State Department of Assessments and Taxation (SDAT) is required to value one-third of all real property based on a review prior to the date of finality.

Reassessment notices must be sent out within 30 days after January 1 in order for the updated property assessments to be used by local governments in preparing the property tax bills for the upcoming fiscal year. However, SDAT reports that for the taxable year beginning July 1, 2024 (fiscal 2025), approximately 100,000 residential real property reassessment notices were not sent to property owners within 30 days after January 1, 2024. As a result, local governments would not have been able to use the updated values for those properties when preparing the property tax bills for fiscal 2025. This would have also impacted property tax revenues for fiscal 2026 and 2027. House Bill 1516 is emergency legislation that extends the statutory deadline by which SDAT must send out reassessment notices to property owners for fiscal 2025 to May 1, 2024.

As a result, <u>House Bill 1516</u> prevents (1) a State property tax revenue reduction of approximately \$3.1 million in fiscal 2025 and \$18.4 million over a three-year period; (2) a county property tax revenue reduction of \$30.1 million in fiscal 2025 and \$180.6 million over a three-year period; and (3) a municipal property tax revenue reduction of \$2.1 million in fiscal 2025 and \$12.6 million over a three-year period.

State Government

SB 470/HB 597 - Growing Apprenticeships and the Public Safety Workforce (GAPS) Act

Senate Bill 470/ House Bill 597 renames the Law Enforcement Cadet Apprenticeship Program in MDL to be the Public Safety Apprenticeship Program and expand the purposes and scope of the program, including expanding eligibility for the program to include public safety agencies (instead of solely law enforcement agencies). The purpose of the program is to (1) provide young individuals opportunities to begin a career with a public safety agency; (2) foster positive relationships between the public, particularly young individuals, and public safety agencies; (3) develop a cohort of individuals qualified to join a public safety agency; (4) encourage public safety agencies to hire apprentices; and (5) help public safety agencies offset additional costs, if any, associated with hiring apprentices. MDL may award start-up grants of up to \$200,000 and stabilization grants of up to \$5,000. The bills also alter the eligibility criteria and the types of grants that may be awarded under the program. The Maryland Police Training and Standards Commission (MPTSC) must (1) develop mental health wellness policies to be implemented in law enforcement agencies and correctional facilities in the State and (2) submit a related annual report. In addition, the bills establish the Workgroup on Growing Engagement in the Law Enforcement and the Corrections Workforce, staffed by MPTSC, to (1) identify and study the shortage of employees in the law enforcement fields; (2) determine ways to advertise and promote law enforcement employment opportunities across the State; (3) explore recruitment and retention strategies used in the law enforcement and corrections fields that have been successful in other states and countries; and (4) make recommendations on incentives or other methods to increase the number of employees in the law enforcement workforce.

<u>SB 480/HB</u> - Protecting Election Officials Act of 2024 - Protecting Election Officials Act of 2024

<u>SB 480</u> / <u>HB 585</u>, as emergency legislation, prohibits a person from knowingly and willfully threatening to harm an election official or an immediate family member of an election official because of the official's role in administering the election process. The Acts also prohibit knowingly sending, delivering, parting with, or making for the purpose of sending or delivering, such a threat. A person who violates these prohibitions is guilty of a misdemeanor and subject to imprisonment for up to three years and/or a fine of up to \$2,500.

The Acts define (1) "threat" to include a threat made orally, by electronic communication, or in any written form and (2) "harm" to include serious injury and serious emotional distress. The Acts define "election official" as (1) the State Administrator of Elections; (2) a member of the State Board of Elections (SBE); (3) an employee of SBE; (4) counsel to SBE; (5) a county election director; (6) a member of a local board of elections; (7) an employee of a local board of elections; (8) counsel to a local board of elections; or (9) an election judge. "Election official" also includes an individual who takes the oath prescribed in Article I, § 9 of the Maryland Constitution to assist in administering an election.

<u>SB 482 - Governor's Office for Children - Engaging Neighborhoods, Organizations, Unions,</u> <u>Governments, and Households (ENOUGH) Grant Program (ENOUGH Act of 2024)</u>

Senate Bill 482 codifies the Governor's Office for Children (GOC). GOC was established by an executive order in 2005 to provide a coordinated, comprehensive interagency approach to the development of a continuum of care that is family- and child-oriented and emphasizes prevention, early intervention, and community-based services for all children and families, with special attention to at-risk populations. The bill requires the Special Secretary of GOC to establish an Engaging Neighborhoods, Organizations, Unions, Governments, and Households (ENOUGH) Grant

Program. The bill also establishes an ENOUGH Grant Fund. The purpose of ENOUGH grants is to increase community health and safety, provide access to high-quality education, connect residents to quality jobs, enable family-sustaining income, provide access to affordable housing, provide high-quality support for child welfare, 3connect individuals to State programs, and leverage federal, local, and private funding for eligible neighborhoods.

Each year, GOC must identify eligible neighborhoods for the ENOUGH Grant Program and approve a lead partner for each neighborhood. GOC may award a grant to a lead partner to complete a needs assessment for the eligible neighborhood. The needs assessment must include an assessment of the physical, behavioral, mental health, education, housing, economic and safety needs of the community; short- and long-term plans for the neighborhood; a description of where State funding is being requested to be spent in the neighborhood; and other standards required by GOC. Once a needs assessment is completed and approved, GOC may provide a neighborhood implementation grant to complete the items in the needs assessment. GOC may also apply for certain other grants and funds. The Governor must allocate at least \$15 million to the ENOUGH Fund in the annual budget bill.

Local Government

<u>SB 446/HB 280 - Local Government - Condominium and Homeowners Associations - Repair and Rehabilitation Funds</u>

Senate Bill 446/House Bill 280 authorize counties and municipalities to establish a local trust fund or other appropriate fund for the purpose of repairing or rehabilitating infrastructure within communities that are subject to the Maryland Condominium Act or the Maryland Homeowners Association Act. A fund established by a county or municipality must consist of (1) property tax revenues paid to the county or municipality by unit owners in a condominium or lot owners in a homeowners association; (2) other appropriations made by the county or municipality for the benefit of the fund; (3) gifts or donations made to the fund; and (4) investment earnings of the fund.

SB 747/HB 165 - Local Government - Annual Audit Reporting Requirements - Alterations

Senate Bill 747/ House Bill 165 impose a financial penalty through the reduction of 20% of State funding for local highway user revenues and disparity grants if a local government fails to submit required audited financial reports within two calendar years after the deadline. The discontinuance of funds remains in effect until the jurisdictions submits the required reports. Payments may resume if the required audited financial reports are submitted in the same year that the payments were discontinued. Additionally, the discontinued funds for any fiscal year in which the local jurisdiction failed to file the audited financial report as specified must revert to the State's general fund for discontinued disparity grants and to the Transportation Trust Fund for discontinued highway user revenues. The bills apply prospectively beginning with the fiscal 2024 audits.

HB 538 - Land Use – Affordable Housing – Zoning Density and Permitting (Housing Expansion and Affordability Act of 2024)

<u>House Bill 538</u> requires a legislative body of a local jurisdiction to allow the placement of a new manufactured home or modular dwelling in a zone that allows single-family residential uses if the home or dwelling (1) meets a specified definition of a manufactured home and is, or will be after purchase, converted to real property in accordance with specified provisions of the Real Property Article, which includes attachment of the manufactured home to a permanent foundation; (2) meets a specified definition of a modular dwelling, including that the modular dwelling is installed and set up according to the manufacturer's instructions on an approved foundation and support system; or (3) is located on land of a certain size that is currently or previously owned by the federal government and that was the site of a former U.S. military reservation.

Additionally <u>House Bill 538</u> creates a new subtitle within the Land Use Article (Title 7, Subtitle 5, "Housing Expansion and Affordability") specifying local zoning requirements for specified affordable housing development statewide. Under the new subtitle, a local jurisdiction must allow the density of a qualified project to exceed the density otherwise authorized in specified districts or zones.

The bill further establishes that (1) the increased density limits for qualified projects are in addition to increased density that is allowed or required by a local jurisdiction; (2) the increased density limits for qualified projects are not further increased if a project meets the definition of a qualified project under certain criteria; and (3) the bill's increased density limits do not apply in a district or zone located on agricultural land or conservation property.

Before a qualified project is authorized to exceed the density in an area zoned for nonresidential use, the entity responsible for the qualified project must (1) conduct a public health impact assessment and (2) receive approval of the public health impact assessment from DHCD.

<u>House Bill 538</u> also prohibits a local jurisdiction from imposing unreasonable limitations or requirements on a qualified project or requiring a qualified project to be reviewed at more than a specified number of public hearings.

Lastly, the bill establishes a Historic Property Revitalization Director within DHCD to:

• support the work of the Smart Growth Subcabinet;

• collect and maintain from certain State agencies an inventory of State-owned buildings that are greater than 50 years old to be used for prioritizing physical assessments and, if applicable, determining eligibility for the National Register of Historic Places;

• in consultation with the Smart Growth Subcabinet, determine the highest and best value for the State's disposition of property and support certain studies and consultations;

• work with DHCD, the Department of Commerce, and other members of the Smart Growth Subcabinet to identify existing State and federal programs and financing mechanisms that may be leveraged to enhance the successful redevelopment of property; and

• work with the Department of General Services Office of Real Estate during the disposition process of relevant property.

Crimes, Corrections and Public Safety

SB 380 - Police Recruitment and Retention Workgroup

<u>Senate Bill 380</u> establishes a Police Recruitment and Retention Workgroup to (1) identify and examine issues and factors potentially contributing to recruitment challenges and the decline in police officer retention statewide, as specified; (2) explore recruitment and retention strategies used successfully in other states and countries; (3) design a statewide joint apprenticeship and training council including multiple departments and unions to operate a police-registered apprenticeship beginning in high school; and (4) provide recommendations for reviewing the decline in police retention statewide. The workgroup must report its findings and recommendations to the Governor and the General Assembly by December 30, 2025.

SB 470/HB 597 -Growing Apprenticeships and the Public Safety Workforce (GAPS) Act

Senate Bill 470/ House Bill 597 renames the Law Enforcement Cadet Apprenticeship Program in MDL to be the Public Safety Apprenticeship Program and expand the purposes and scope of the program, including expanding eligibility for the program to include public safety agencies (instead of solely law enforcement agencies). The purpose of the program is to (1) provide young individuals opportunities to begin a career with a public safety agency; (2) foster positive relationships between the public, particularly young individuals, and public safety agencies; (3) develop a cohort of individuals qualified to join a public safety agency; (4) encourage public safety agencies to hire apprentices; and (5) help public safety agencies offset additional costs, if any, associated with hiring apprentices. MDL may award start-up grants of up to \$200,000 and stabilization grants of up to \$5,000.

SB 774/HB 1065 - Public Safety - Maryland Entertainment District Security Grant Program

Senate Bill 774/ House Bill 1065 establish the Maryland Entertainment District Security Grant Program to assist community organizations, nonprofit entities, and local governments to fund security operations during times of high pedestrian traffic in entertainment districts from which a higher than average number of calls for police assistance in response to reported crime are placed. Beginning in fiscal 2026, the Governor may annually appropriate up to \$1.0 million to the fund.

<u>SB 1033/HB 926 - Maryland Building Performance Standards - Local Requests for Guidance -</u> <u>Religious Considerations</u>

MDL currently incorporates, with modifications, the International Building Code as the Maryland Building Performance Standards. In general, these standards apply to all buildings and structures within the State for which a building permit application is received by a local government. <u>Senate Bill 1033/House Bill 926</u> require MDL, on request by a local jurisdiction and in consultation with the Office of the Attorney General, to provide guidance for the implementation and enforcement of the Maryland Building Performance Standards in relation to any religious observance, practice, or belief.

Courts and Civil Proceedings

SB 423 - Real Property - Recordation - Procedures

Senate Bill 423 requires the treasurer, tax collector, or director of finance for a county to provide, upon request, a certificate clearly enumerating taxes, assessments, and charges due to the county against a property. Counties are required to adopt procedures to facilitate the issuance of a certificate. The certificate bars any charge or assessment against the property levied on a *bona fide* purchaser for value that has no notice of the charge or assessment prior to the purchase of the property. If a collecting agent is presented with a certificate within 45 days after issuance, the agent must endorse the deed on payment of all charges set forth in the certificate and any applicable transfer or recordation taxes. Counties and municipalities are authorized to collect a fee for the issuance of a certificate. The payment of a fee and the issuance of a certificate may not preclude a claim by a county or municipality to payment of a charge or assessment against (1) the owner of the property at the time of the issuance of the certificate or (2) a person who acquires the property with knowledge of the charge or assessments and Taxation to coordinate on procedures to facilitate the electronic satisfaction of prior approvals and conditions precedent to recording documents or the electronic payment of fees or taxes.

Transportation and Motor Vehicles

SB 316/HB 43 - Motor Vehicle Registration - Exceptions for Golf Carts - Authorization

<u>Senate Bill 316</u> / <u>House Bill 43</u> authorize a person to operate a golf cart equipped with approved lighting on county or municipal highways between dawn and dusk if the maximum posted speed limit generally does not exceed 30 miles per hour. The golf cart must be kept as far to the right of the roadway as feasible, and the driver must have a valid driver's license. A golf cart operating pursuant to the bills' authorization is exempt from the general requirement that each motor vehicle driven on a highway in the State be registered. The governing body of a county or municipality may designate the highways under their respective jurisdictions on which a golf cart may be operated. The bills' statewide authorization replaces similar authorizations that only apply in certain jurisdictions.

SB 345 - Transportation - Vision Zero - Implementation

<u>Senate Bill 345</u> expands the responsibilities of the Vision Zero coordinator within MDOT to (1) identify strategies to achieve Vision Zero goals by 2030; (2) analyze SHA infrastructure reviews after traffic fatalities; and (3) advise the Governor and State and local agencies on the implementation of Vision Zero and associated policies and programs.

<u>SB 442/HB 601 - Street Racing and Exhibition Driving - Prohibited Acts, Enforcement, and Penalties</u>

To address the growing problem of "pop-up" events involving driving activity that endangers public safety, <u>Senate Bill 442/House Bill 601</u> increase penalties and points assessments for violations related to participation in race or speed contests. The bills also establish a statewide prohibition on exhibition driving on any highway or private property that is used for driving by the general public. The bills further apply statewide the prohibition in Worcester County against exhibition driving, race or speed contests, and other vehicular–related activities in a special event zone.

HB 513 - Motor Vehicles - Work Zone Speed Control Systems - Revisions (Maryland Road Worker Protection Act of 2024)

<u>House Bill 513</u> introduced in response to the workgroup's recommendations, makes changes to the State's work zone speed control systems (work zone speed cameras) program. Specifically, the Act (1) increases civil penalties for violations captured by work zone speed cameras; (2) alters the distribution of the revenues collected from these penalties; (3) repeals the requirement that work zone speed cameras may only be used on expressways or controlled access highways, facilitating their use by local jurisdictions; and (4) establishes a reporting requirement for the State Highway Administration (SHA).

Business and Economic Issues

SB 14/HB 1281 - Economic Development - Tourism Zones - Designation and Benefits

Senate Bill 14/ House Bill 1281 establish a regulatory framework for counties to use noise abatement monitoring systems on State and local highways to record violations of State law governing maximum sound limits of motor vehicles. The scope and timeframe of the authorization is limited to the use of, at most, three such systems in each of Montgomery and Prince George's counties over a two-year period. Each of the counties must report – by December 1, 2025 – to the Governor and the General Assembly on its implementation of noise abatement monitoring systems, as specified.

SB 38/HB 385 - Wage Payment and Collection - Pay Stubs and Pay Statements - Required Information

Maryland's Wage Payment and Collection Law regulates the payment of wages by employers in the State. <u>Senate Bill 38/House Bill 385</u> expand the information that an employer must give to an employee for each pay period. In addition to gross pay, the pay stub must include the employer's name and address, hours worked, rates of pay, net pay, and a list of deductions. At the time of hiring, and employer must provide written notice to the employee regarding the employee's rate of pay, regular paydays, and leave benefits. In addition, the Commissioner of Labor and Industry must create and make freely available to employers a pay stub template that employers may use to comply with the requirements of the legislation. Enforcement provisions include authorizing the commissioner to (1) issue orders to comply with the Acts' requirements; (2) impose an administrative penalty of up to \$500 for each employee who was not provided a pay stub or online pay statement in accordance with the Acts; and (3) bring an action to enforce the commissioner's orders of compliance.

SB 430 - Community Health and Safety Works Grant Program and Fund - Establishment

The Community Health and Safety Works Program, administered by DHCD, was created as part of Governor Lawrence J. Hogan Jr.'s Re-Fund the Police Initiative in fiscal 2022. The program provides grants for business district or facility improvements to Main Street communities or other community development nonprofit organizations. Grants can be used for surveillance tools such as lighting and cameras; pedestrian and vehicle traffic management tools, such as landscaping, fencing, or expanding restaurant space to sidewalks and roadways; and other improvements that renovate and improve public spaces to remove signals of blight. <u>Senate Bill 430</u> codifies the existing program and establishes a related special fund within DHCD.

<u>SB 476/HB 584 - Workers' Compensation - Occupational Disease Presumptions - First Responders</u> (Caring for Public Employees in the Safety Professions - CAPES Act)

<u>Senate Bill 476</u>/ <u>House Bill 584</u> both establish additional occupational disease presumptions for specified public safety employees who contract thyroid, colon, or ovarian cancer that is caused by contact with a toxic substance encountered in the line of duty. These occupational disease presumptions apply only to (1) volunteer and career firefighters; (2) firefighting instructors; (3) rescue squad members; (4) advanced life support unit members; and (5) fire marshals employed by an airport authority, a county, a fire control district, a municipality, or the State. Further, the presumptions only apply when the covered employee or volunteer meets other eligibility criteria established under current law for cancer or leukemia disability presumptions.

SB 485/HB 571 - Family and Medical Leave Insurance Program - Modifications

Senate Bill 485/House Bill 571 modifies the FAMLI Program by altering key administrative deadlines, definitions, and components of the program's administration. An employer must be authorized by the Secretary of Labor to provide a private employer plan, which consists of employer-provided benefits or insurance, and MDL is authorized to adopt regulations that establish fees for private employer plans. The purpose of the fees are to fund MDL's oversight of the private employer plans. The program's start dates are delayed by nine months to July 1, 2025, for required contributions and six months to July 1, 2026, for benefit payments. A self-employed individual who fails to pay FAMLI contributions is subject to the same actions as an employer that fails to pay FAMLI contributions. The Secretary may allocate a portion of FAMLI funds to award grants for community partnerships, among other administrative changes.

<u>SB 525/HB 649 - Labor and Employment – Equal Pay for Equal Work – Wage Range Transparency</u>

<u>Senate Bill 525/ House Bill 649</u> expand the applicability, requirements, and penalties of the State's Equal Pay for Equal Work Law. Generally, an employer must disclose specified wage, benefit, and any other compensation information in public or internal job postings and to applicants to which the job posting was not made available. Additionally, wage ranges must be set by the employer in good faith, and must be disclosed to an applicant before compensation is discussed. The proactive disclosures replace the existing requirement to disclose a wage range to an applicant on request. Employers must keep records of compliance with the updated requirements for at least three years.

<u>SB 783 - Public Utilities - Solar Energy Systems and Programs, Maryland Strategic Energy</u> <u>Investment Fund, and Prevailing Wage (Brighter Tomorrow Act)</u>

Senate Bill 783 establishes or modifies various provisions of law related to solar energy deployment in the State. Among other things, the bill requires PSC to establish the Small Solar Energy Generating System Incentive Program, under which a solar energy generating system that meets specified requirements and is certified by PSC generates certified solar renewable energy credits (SRECs). Certified SRECs have a compliance value of 150% for electricity suppliers to put toward meeting the solar carve-out for the RPS. The total amount of in-State generating capacity for certified systems under the program may not exceed (1) 300 megawatts for systems with a generating capacity of less than 20 kilowatts and (2) 270 megawatts for systems with a generating capacity between 20 kilowatts and 5 megawatts. Among other eligibility requirements, a certified system must be placed in service between July 1, 2024, and January 1, 2028, inclusive.

Additionally, the bill (1) authorizes MEA to use up to 10% of solar alternative compliance payments for administration of the SEIF; (2) establishes a three-year Customer-Sited Program in MEA; (3) extends the duration of all RECs for purposes of the RPS to five years; (4) alters provisions related to net metering; (5) requires each county and municipality to implement specified solar permitting software and establishes related procedures; (6) establishes and modifies solar property tax incentives; (7) establishes prevailing wage requirements for specified solar systems; and (8) establishes requirements for home improvement contracts for rooftop solar installations.

SB 843 - Workers' Compensation - Benefits - Hearing Loss

<u>Senate Bill 843</u> modifies this calculation and requirement to pay compensation by requiring hearing loss to be calculated at an additional frequency when determining occupational deafness, specifying that an employer must provide compensation to a covered employee for hearing loss due to industrial noise at the additional frequency, except under specified circumstances, and by altering the offset calculation for nonoccupational hearing loss.

HB 538 - Land Use – Affordable Housing – Zoning Density and Permitting (Housing Expansion and Affordability Act of 2024)

Among other things, <u>House Bill 538</u> requires local jurisdictions to allow (1) new manufactured homes and modular dwellings in zones that allow single-family residential uses and (2) increased densities and uses in specified zoning areas for "qualified projects" (which include specified amounts of affordable housing). The bill prohibits a local jurisdiction from imposing unreasonable limitations or requirements on a qualified project or requiring a qualified project to be reviewed at more than a specified number of public hearings. The bill also establishes a Historic Property Revitalization Director within DHCD.

HB 599 - Maryland Community Investment Corporation - Establishment (Housing and Community Development Financing Act of 2024)

<u>House Bill 599</u> establishes the Maryland Community Investment Corporation as a body politic and corporate and as an instrumentality of the State. Generally, the purposes of the corporation are to (1) do all things necessary to qualify as a CDE and apply to the U.S. Department of the Treasury for designation as such; (2) apply for an allocation of federal New Markets Tax Credits; and (3) make investments and financial assistance available to low-income communities in the State. The bill also expands the eligible uses of the Strategic Demolition and Smart Growth Impact Fund within DHCD to include credit enhancement.

HB 805 - Cannabis - Licensee Locations - Restrictions

House Bill 805 establishes various changes related to local zoning for cannabis licensees. Under the bill, a political subdivision may not adopt an ordinance that establishes zoning requirements for (1) licensed dispensaries that are more restrictive than zoning requirements for a licensed alcoholic beverage retailer; (2) licensed growers cultivating cannabis exclusively outdoors in an area zoned for agricultural use that are more restrictive than any zoning requirements that existed on June 30, 2023, governing a registered hemp farm in the political subdivision; or (3) licensed growers cultivating cannabis outdoors on a premises that was properly zoned for outdoor cannabis cultivation on or before June 30, 2023. A political subdivision may, however, by ordinance, increase the statutory distance limitation between dispensaries from 1,000 feet to no more than one-half mile. Additionally, a local jurisdiction may, by ordinance, establish a distance limitation for dispensaries of up to 100 feet from an area zoned for residential use, or apply to dispensaries the distance limitation for licensed alcoholic beverage retailers from an area zoned for residential use. Furthermore, if a political subdivision establishes any ordinance that provides for a distance requirement for dispensaries, the political subdivision must waive that requirement for a licensed dispensary that was in operation before April 1, 2024.

The bill also authorizes at least 10 individuals – located within 1,000 feet of the licensed premises who are residents, commercial tenants, or real estate owners – to file a protest against a license renewal with MCA. The basis for a protest may include (1) violations of law or regulations or (2) conduct by a licensee that creates or maintains conditions that may result in disturbing the public peace. If a protest against a license renewal is filed at least 30 days before the license expires, MCA may not approve the renewal without holding a hearing unless MCA finds that the basis of the protest filed against the renewal is without any reasonable ground. MCA may only consider issues arising out of specific complaints about the operation of the licensed premises and the performance of the license holder for the four-year period immediately preceding the date of the renewal application. MCA, in making its determination on a protest of a renewal, may not consider zoning issues.

Natural Resources, Environment and Agriculture

<u>SB 653/HB 1101 - Standing - Environmental and Natural Resources Protection Proceedings (Clean</u> <u>Water Justice Act of 2024)</u>

SB 653/HB 1101 establish standing, for a person that meets the threshold standing requirements under federal law, in civil claims arising under specified standards relating to (1) nontidal wetlands that do not have a continuous surface connection to surface water and (2) discharges of pollutants affecting ephemeral streams or intermittent streams. The bills authorize a person that has standing pursuant to the bills to bring a civil action against any person or political subdivision that is alleged to be in violation of those standards. The bills also authorize a person that meets the threshold standing requirements under federal law to intervene in a civil action brought by the Secretary of the Environment relating to nontidal wetlands (similar authority already exists, and is reestablished under the bills, with respect to a civil action relating to the discharge of pollutants to waters of the State).

<u>SB 783 - Public Utilities - Solar Energy Systems and Programs, Maryland Strategic Energy</u> <u>Investment Fund, and Prevailing Wage (Brighter Tomorrow Act)</u>

SB 783 bill establishes the Customer-Sited Solar Program within MEA to provide grants to low- to moderate-income electric company customers (or a third party applying for a grant on behalf of a customer) for new solar energy generating systems, funded by reallocated solar alternative compliance payment revenues within SEIF. The program may provide a grant to an income-verified eligible customer-generator with a low to moderate income, in an amount equal to \$750 per kilowatt of nameplate capacity for a solar energy generating system, up to a maximum of \$7,500 per system. By January 1, 2025, MEA must establish application and income verification procedures for the program and award grants from the program.

SB 854/HB 929 - Agriculture - Nuisance Insects- Agriculture - Nuisance Insects

SB 854/HB 929 continue the program established under Chapter 132 of 2019 by requiring, rather than authorizing, the Secretary of Agriculture to implement a program to use Bti to control or eliminate nuisance insects and requiring, rather than authorizing, the Secretary to carry out a project under the program if the county or municipality in which the nuisance insects are located agrees to pay 50% of the costs associated with the project.

<u>SB 1144/HB 1266 - Clean Water Commerce Account - Contracts for the Purchase of Environmental</u> <u>Outcomes</u>

SB 1144/HB 1266 require MDE, in collaboration with publicly owned treatment works and specified "significant industrial users" in the State, to (1) by October 1, 2024, identify the significant industrial users that currently and intentionally use PFAS chemicals; (2) by June 1, 2025, develop PFAS action levels for addressing PFAS contamination from industrial discharge for pretreatment permits; and (3) by September 1, 2025, develop specified mitigation plans for addressing PFAS contamination from industrial discharge for pretreatment permits. In addition, MDE must develop PFAS monitoring and testing protocols for significant industrial users and update its PFAS Action Plan, as specified. The bills also establish measurement, reporting, implementation, and PFAS storage and disposal requirements for specified significant industrial users. MDE delegates the authority to issue permits to construct and repair conventional septic systems, and the authority to enforce the State's well water construction regulations, to local health departments (LHD) and other local approving authorities.

HB 233 - Chesapeake and Atlantic Coastal Bays Critical Area Protection Program – Climate, Equity, and Administrative Provisions

HB 233 modifies the Chesapeake and Atlantic Coastal Bays Critical Area Protection Program to incorporate climate resilience, environmental justice, and equity measures. The bill requires each jurisdiction to review its entire program and propose any necessary amendments at least every 10 years, rather than every 6 years as is currently required, and establishes deadline extensions and notice requirements. The bill modifies density calculations for development in the Critical Area and alters the circumstances under which changes to Critical Area designations and zoning map amendments may be granted. The bill also establishes the process for updating the statewide base map project specified under Chapter 119 of 2008 and specified provisions related to Critical Area maps take effect on notification of completion of the statewide base map project required by Chapter 119.

HB 420 - State and Local Parks - Play Area Accessibility - Recreation Communication Boards Pilot <u>Program</u>

HB 420 establishes a Maryland Recreation Communication Boards Pilot Program, administered by DNR, to provide funding for the purchase and installation of "communication boards" in play areas in State and local parks, prioritizing newly constructed play areas. DNR may use up to \$100,000 from the Park System Capital Improvements and Acquisition Fund to fund the program.

HB 1147 - Environment - Playground Surfacing Materials - Prohibitions

HB 1147 expands upon these restrictions by prohibiting a person from installing, supplying, selling, soliciting, or offering for sale in the State playground surfacing materials that contain (1) more than 90 parts per million of lead or (2) a component product, material, or substance to which PFAS chemicals were previously intentionally added, as specified. An affected manufacturer of playground surfacing materials must establish a certificate of compliance that the materials are in compliance with the bill's requirements.

HB 1512 - Bay Restoration Fund - Use of Funds - Municipal Wastewater Facilities - Sunset Repeal

HB 1512 requires MDE, in collaboration with publicly owned treatment works and specified "significant industrial users" in the State, to (1) by October 1, 2024, identify the significant industrial users that currently and intentionally use PFAS chemicals; (2) by June 1, 2025, develop PFAS action levels for addressing PFAS contamination from industrial discharge for pretreatment permits; and (3) by September 1, 2025, develop specified mitigation plans for addressing PFAS contamination from industrial discharge for pretreatment permits. In addition, MDE must develop PFAS monitoring and testing protocols for significant industrial users and update its PFAS Action Plan, as specified. The bills also establish measurement, reporting, implementation, and PFAS storage and disposal requirements for specified significant industrial users.

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