

Dear Neighbor,

It is a privilege to serve you in the Maryland House of Delegates. This Legislative Session presented more challenges to the quality of economic, community, and family life in Calvert County.

The 2023 Session of the Maryland General Assembly ended on Monday, April 10th, at midnight. Maryland, for the first time in eight years, has a Democrat governor *and* a supermajority of Democrats in the House of Delegates and State Senate. Legislators introduced 3,064 bills in the House & Senate (combined), and nine resolutions during the Session. Some bills were good and many problematic.

Below are some highlights of the 2023 Legislative Session.

TAXES & SMALL BUSINESS

The only Constitutional action the General Assembly is required to take during the Legislative Session is to pass a *Balanced Budget*. The General Assembly passed HB 200, the 2023 Budget Bill. In the wake of a banking crisis and a weak economy, I am astounded that the Governor did not cut taxes, including eliminating income taxes for retirees. Instead of letting Marylanders keep more of their hard-earned money, Annapolis doubled down on spending. This spending combined with mandates from the Kirwan Commission will result in tax increases.

Expanded Budgeting Powers: This was the first year the General Assembly was able to use its new budgeting powers granted by voters via Question 1 in 2020.

Since the late 19th Century, Maryland has had a strong executive budgeting process because the General Assembly had, historically, lacked financial discipline. Over the course of Maryland's history, the General Assembly has nearly bankrupted the state on more than one occasion. The General Assembly's financial authority had to be restricted in the 1850's when the state could not repay the interest on what it borrowed for the B&O and C&O railroads. In 1914, the General Assembly overspent by \$1.5 million at a time when total state revenue was approximately \$12 million. As a result, the State's Constitution was amended to restrict the General Assembly's budget authority, giving it the ability to cut, but not to add to the budget. For the last 100+ years, the General Assembly has only been granted the power to cut the budget – not add. In 2020, the voters of Maryland approved an expansion of budgetary powers for the General Assembly.

Revenue Write-Downs: The Maryland Board of Revenue Estimates (BRE) reports revenue projections several times during the year. In its March Revenue Report, the BRE cut its revenue projections for Fiscal Years 2023 and 2024 by a total of \$478 million-- \$77.4 million in Fiscal 2023 and \$400.3 million in Fiscal 2024. This represents approximately 1% of the projected revenues but is not insignificant._Revenues are down because Maryland's economy slowed faster than anticipated. Sales tax revenue and personal income tax revenue both underperformed estimates. When compared to the national economy, Maryland's economy is underperforming when it comes to employment and consumer spending. If revenues continue to decline, budget deficits will grow. The Maryland General Assembly, historically, has had a preference for tax increases over meaningful budget reductions.

With high inflation and many forecasts predicting a significant economic downturn by the end of the year, the Maryland General Assembly must cut spending to prevent tax increases.

Blueprint (Kirwin) Deficit

When it was passed in 2020, the Blueprint for Maryland's Future was set to mandate approximately \$3 billion of additional spending per year to education over the next decade. Casino revenues were supposed to fully fund education. Clearly, that hasn't happened.

Budget analysts were projecting a structural deficit in funding for the Blueprint. The Blueprint is projected to have a deficit beginning in 2027 – a deficit that is expected to grow significantly in the coming years. The Digital Advertising Tax that the General Assembly passed in 2021 was supposed to generate revenue dedicated to the Blueprint. That tax has been ruled unconstitutional by the Maryland court. Consequently, the majority party in Annapolis is routinely looking for new ways to tax the citizens, under the guise of paying for the Blueprint.

In this year's budget, \$900 million was put into a reserve fund specifically to save it for future Blueprint spending. This will help mitigate some of the Blueprint shortfalls, but not all. In the long-term, a deficit of more than \$1.5 billion is forecast for FY 28 as the Blueprint Fund reserves are exhausted and significant education costs fall on the General Fund.

Operating Budget

This was the first year the General Assembly could exercise the expanded budgetary powers granted to them by the people of Maryland. This allowed the legislature to increase, decrease, and move money around in House Bill 200 – Budget Bill Fiscal Year 2024. In total, the General Assembly cut \$1.33 billion from the Governor's original proposal and added \$1.13 billion in spending. The FY 2024 Budget totaled \$63 billion, with spending increasing 2% over last year. The budget includes \$8.7 billion in funding for K-12 education and caps in-state tuition increases at 2%.

Approximately \$200 million in tax relief is included in the budget, primarily for low-income families. The budget also includes \$421 million for salary increases and bonuses for state employees and \$35 million for Maryland's emergency medical systems. The budget also uses one-time cash to fund "pay-as-you-go" Capital projects rather than increase the state's debt. At the time of its passage, the budget was structurally balanced and included \$2.85 billion in reserves, with \$2.5 billion in the Rainy Day Fund and a \$351 million fund balance in the General Fund.

The Fair Wage Act: This bill, when first introduced, tied minimum wage to inflation, so that each time inflation rises, so would minimum wage. All of this without the legislature's vote on the matter. I introduced a bill this session, HB 730, which prohibits putting automatic tax increases into law, such as the gas tax and the minimum wage. Legislators should be required to vote *every time* there is a tax increase or decrease. It's their solemn duty, so they can be held to account by the citizens. Unfortunately, my bill was defeated. While the Fair Wage Act will still increase the minimum wage in Maryland, the 'automatic increase' (CPI) portion was removed from the bill. The increase to \$15 per hour was also delayed until January 1, 2024. An effort to slow the minimum wage increase for small businesses was defeated in the House. The bill now heads to the Governor's desk for signature. I voted NO on the Governor's Fair Wage Act Bill. Small businesses are under grave pressure from inflation and the economy. Annapolis keeps changing the rules, as if politicians know better — Believe me, they don't.

SB 959 - Higher Education - Maryland 529 Program - Reform

Following the understandable outcry from families over issues with Maryland's 529 College Savings Plans (interest earnings were miscalculated, and some were unable to access their funds), the General Assembly passed SB 959, which makes significant changes to the program. Maryland offers two 529 plans – a College Investment Plan that functions more like a 401k with an independent fund manager, and a prepaid college trust where parents can purchase college credits at today's cost and use them when their child is ready for college in the future. Issues with interest calculations and access to funds arose with the prepaid college trust when the State switched to a new vendor.

SB 959 transfers responsibility for the entire Maryland 529 program to the State Treasurer's Office and abolishes the Maryland 529 board as of June 1, 2023.

The Maryland Prepaid College Trust program will also be phased out with no new accounts created after June 1, 2023.

In addition, SB 959 develops a process within the Treasurer's Office to receive claims from impacted account holders, complete an investigation and issue settlements.

The Maryland 529 quagmire exposes and illustrates why citizens should be very skeptical of surrendering the management of their money to the State. I voted YES on SB 959.

<u>SB 516/HB 556 – Cannabis Reform</u>: Establishes a recreational cannabis industry in the state, building on last year's ballot referendum where Marylanders gave final approval to legalizing recreational cannabis. The 2023 legislation governed possession, smoking in public, driving while high, and the number of homegrown plants allowed. Additionally, the referendum gave the General Assembly until July 1, 2023, to develop the guardrails and launch a recreational cannabis industry.

SB 516/HB 556 sets the regulatory framework for the industry by granting the first licenses for recreational growers, processors, and dispensaries, while also imposing a 9% sales tax on cannabis products, with an exemption for medical cannabis cardholders. It is estimated that the recreational the cannabis industry will generate nearly \$94 million in tax revenue for the State by FY 27.

The framework includes provisions for the allocation of this tax revenue, in addition to zoning laws prohibiting dispensaries from being located within 500 feet of a school, library, playground, recreation center, or public park. It also establishes buffer zones to prevent the clustering of dispensaries.

Moreover, the legislation aims to promote diversity and equity in the industry by allocating a portion of revenues to support racial equity programs, specifically for those individuals seeking to enter the industry who live or lived in communities that were policed at a higher rate due to the war on drugs. I voted NO on this legislation.

<u>HB 1064</u>: Charges the 6% sales & use tax on home amenities that are rented by homeowners. Apparently, some homeowners are renting outdoor amenities at their homes — such as swimming pools, barbeque areas and so forth. Now, those 'home amenity rentals' will be subject to the State sales tax. This is an egregious overstep from the government into private homes. Homeowners are simply trying to pay their bills, which include property taxes and income taxes. Now, the majority party in Annapolis wants to charge yet another tax - the 'Fun Tax'. I voted NO on this legislation.

<u>HB 181</u>: A study to force a Four-Day Work Week on private businesses. I am pleased to say that this bill was withdrawn by the sponsor.

<u>HB 86</u>: Allows the Comptroller to share your tax information with third parties, without your consent. I offered an amendment to require written consent from taxpayers, prior to their information being shared. The amendment was rejected by the majority party. Taxpayer information belongs exclusively to the taxpayer, not the government. I voted NO on this bill.

SB 806: This bill provides free healthcare to illegal immigrants. I voted NO on this bill.

HB 17: Known as the 'Right to Sit Act', intends to codify and require employers to accommodate sitting down on the job. No matter the type of job performed, the employer would be required to allow the employee to sit down while performing the work. I voted NO on this bill.

SB 423: Requires licensing of individuals who install eyelashes on others -- another money grab by Annapolis. How is it that this legislation is at all considered necessary or even a priority right now?

HB 967: Establishes "Dashain Day" to be celebrated every October 5th. This bill is a waste of money and time for taxpayers. I voted against it.

Small businesses and individuals are under siege by the State. They are being regulated, taxed and micromanaged at every level. Each year, it becomes costlier and more difficult for individuals and businesses to operate in the State. Residents leave every day due to the increasing tax burden that is placed on them. Now, more than ever, citizens need tax relief. Considering the rise of inflation in the last year alone, it is completely tone deaf of the Majority Party to continue to spend at this rate. Spending, combined with the enforcement of new and more ridiculous policies that are not indicative of the *real problems* that residents face are why Marylanders are leaving this beautiful state.

CRIME

<u>HB 1180</u>: Prevents anyone under the age of 25 from being charged with felony murder, regardless of their level of involvement in the crime. Meanwhile in Baltimore, crime is worse than ever. In light of this rise in crime, 23 Schools in Baltimore City have 0% proficiency in math. It's no wonder crime is so high when people graduate illiterate.

<u>HB 577</u>: Makes criminals a protected class and gives them preferential housing options. Why does Annapolis want to reward bad behavior while law-abiding taxpayers struggle to make ends meet? This bill is inappropriate in every aspect and is insulting to lawful and honest Marylanders.

SB 37: Reduces the amount of time that a criminal or ex-convict must wait before they can have their criminal records expunged. I voted NO.

Annapolis lawmakers in the majority party continue to vote in a manner which rewards crime, while reducing punishment and restitution.

SB 1: Gun Safety Act of 2023 is a de facto ban on wearing and carrying a firearm in Maryland. I voted NO on this bill. The right of each individual to lawfully exercise their second amendment rights makes us safer.

<u>Caucus Crime Bills:</u> The House Republican Caucus 2023 Legislative package included several initiatives aimed at fighting crime in Maryland.

HB 750: Gun Theft Felony Act of 2023 makes the theft of a firearm a felony.

<u>HB 736</u>: No Bail for Violent Criminals Act of 2023 prohibits bail for an individual charged with a crime of violence if the individual has pending charges for a previous crime of violence. The bill also prohibits bail for an individual charged with a crime of violence if they have had a prior conviction for a crime of violence and the individual completed their period of parole and probation within 5 years of the subsequent charges.

None of the Republican Caucus bills passed out of their House Committees.

EROSION OF THE FAMILY & PARENTAL RIGHTS

Many bills were introduced by the majority party this Session with the mindset that your children are not your children, but rather they belong to the State. These bills are not presented in a vacuum. They are purposefully introduced to slowly chip away at the rights of parents to take care of their children. Bills that may seem harmless by themselves often have synergy with other proposed or preexisting laws — to subdue and dominate freedom or independent thought. HB119, HB283, and HB576 are examples of legislation introduced during this Session which intend to do just that.

HB 119: Forces gender identity and sexual orientation indoctrination in schools. This "curriculum" would begin in Kindergarten. The bill gives the Department of Health the authority, among other topics, to incorporate "Gender Identity & Sexual Orientation" into the classroom. This includes teaching children in elementary school that they can be a different gender and can use different pronouns. I offered an amendment for 'Educational Freedom'. In other words, to allow K-12 tuition dollars to be used at a private, public, or charter school of their choice. The amendment was defeated along party lines.

HB 119 was originally drafted to establish a highly controversial health education framework for public schools in Maryland, including sexual orientation, gender identity, and human sexuality. The bill was completely rewritten in the House Ways and Means Committee, and turned into a weapon for the State Board of Education to intimidate and control local school systems to implement transgender curricula.

As the bill passed the House, it allows the State Superintendent of Schools to withhold funding from local school systems if they are not in 100% lockstep with any part of the state curriculum. If the State Superintendent of Schools determines that a local board of education is not following every element of the policy and guidelines established by State Board of Education (SBE) or is authorizing a student to opt-out of a course of instruction in a manner that is not approved by SBE, the State Superintendent must notify the local board of education. If the local board does not resolve the discrepancy within 30 days, as specified, 10% of the funds budgeted by the State for the current fiscal year must be withheld. If the discrepancy is not resolved within 90 days, an additional 10% must be withheld.

In its updated form, the bill was opposed by multiple local school systems across the state, the Maryland Association of Boards of Education, Public School Association of Maryland, Maryland Retired School Personnel Association, and the Maryland State Board of Education. The bill passed the House but died in the Senate Committee. I voted NO on this bill.

HB 283: Legalizes taxpayer-funded genital mutilation of children. Taxpayers will be required to pay for radical surgeries that seek to make a boy a girl or vice versa. I offered an amendment on the House Floor which limits such surgeries to individuals who are at least eighteen years old or older. When that amendment was defeated, it was confirmed this bill is about mutilating children. Remember, trans indoctrination is already happening in public schools, and as early as Kindergarten. This bill violates the innocence of childhood and is a crime against humanity. Protect your children from this radical indoctrination. I voted against this terrible bill.

<u>HB 576</u>: Allows schools to conceal bullying of children from their own parents. **HB 878** authorizes students to have telehealth appointments, without notifying parents. For what purpose would a school system want to keep parents in the dark about what is happening to their children at school? I voted NO on both of these bills.

<u>HB 361</u>: Allows an individual, or their parents, to change their gender on their birth certificate. Quite simply - you can change your appearance, but you can't change your gender. It's simple biology and science. Notwithstanding this fact, the majority party wants to teach your children that biology is fungible. This bill did not pass out of Committee, but will likely be back next year.

<u>HB 175</u>: Allows the Student Member of the Board of Education to vote on school budgets. Some jurisdictions even want to pay the students. Children are not qualified to vote on budgets and should not be permitted on School Boards. They belong in the classroom. Nonetheless, the bill illustrates how the majority party is blurring the lines between children and adults. I voted NO.

Despite these proposed policies, test scores are plummeting. Again, I'd like to underscore that **23 Baltimore City schools tested with 0% proficiency in mathematics.** Baltimore City schools are not alone in this matter, either. Schools across the State are experiencing many learning-related issues caused by the pandemic and a lack of accountability.

Republican Caucus Education Bills

Improving education was one of the priorities in the House Republican Caucus' 2023 Legislative Agenda. The legislative package included three bills to improve accountability, safety, and choice in Maryland's school systems.

HB 739 - Truancy Reduction Act of 2023: This bill will combat the phenomenon of "ghost students" that occurs in every jurisdiction of our state. The bill will require student populations to be counted once per quarter, instead of once per year to get an accurate measure not only for funding purposes but also to identify at-risk students. This bill did not pass out of Committee.

HB 738 - School Safety Enhancement Act of 2023: This bill doubles the funding for School Resource Officers across the state, easing the financial burdens on local governments to improve safety in our schools. This bill also did not pass out of Committee.

HB 737 - Right to Learn Act of 2023: A targeted school choice initiative, this bill establishes Education Savings Accounts for families with children trapped in failing schools. Under the bill, families of children in schools with two consecutive years of rating 2 stars or less will be eligible to receive their jurisdiction's per-pupil spending amount under an Education Savings account to cover qualified expenses used to pursue alternative education options including homeschooling, private school, charter school, or another non-failing public school. The bill also codifies the BOOST program for low-income families – a program that only existed through budget language during the Hogan Administration. This bill did not pass out of Committee.

The Broadening Options and Opportunities for Students Today (BOOST) program provides scholarships to low-income and atrisk youth to attend a non-public school. It is the only school choice program in Maryland.

Governor Moore's budget proposal cut funding for BOOST by 20%, from \$10 million to \$8 million, and included language that would phase out the program.

The House Republican Caucus was the first to cry foul over the cut and phase-out of BOOST. One of the bills in our Caucus' Legislative Package, "The Right to Learn Act of 2023", included language to codify BOOST and make its funding permanent. House and Senate Republicans came together to call for the full funding of the BOOST program and press for the passage of the Right to Learn Act.

Members of the House Republican Caucus tried to restore the funding and eliminate the phase-out but opposition to the program runs deep in the House and efforts to save BOOST were unsuccessful. When the Maryland Senate took up the Budget, they restored BOOST funding to \$10 million and eliminated the phase-out language. Differences between the House and Senate forced the Budget to go to Conference Committee.

At the conclusion of the Conference Committee, the BOOST Program received \$11.5 million in FY 2024, with \$9 million going to scholarships and \$2.5 million available to participating schools for safety, textbooks, nurses, and other school health

expenses. This reflects another \$1.5 million in funding for the program. Additionally, language that would have phased out the BOOST Program was removed.

The battle to save BOOST permanently is far from over. The best option for BOOST students and families is to make the program permanent in state statute. But for this year, the program is safe.

ABORTION & PHYSICIAN-ASSISTED SUICIDE

Maryland currently has some of the most liberal abortion laws and regulations in the country. Abortion is legal in all nine months of pregnancy with a simple statement that birthing a baby would cause the woman mental health distress - even if the mother is in good physical health. Late term abortions are currently performed in Montgomery County, including up until the time of birth. The majority party calls late-term abortions 'reproductive freedom', but it is actually extremism. Maryland taxpayers also pay for Medicaid abortions. But that was not enough for the majority party. A bill to enshrine abortion in the Maryland Constitution was passed out of the House this Session, which includes up until birth.

<u>HB 477</u>: This bill codifies abortion access in Maryland Colleges. A Republican amendment was offered to require that infant care services, such as sonograms, prenatal care, birthing care and postpartum care and infant care be offered for college students who intend to keep their child alive. Unfortunately, the amendment was defeated on the House Floor. I voted against this terrible bill.

<u>HB 933</u>: This bill creates a process by which an individual may request and receive aid in dying from the attending physician. This goes against every purpose for which a doctor takes their oath—to do no harm. Fortunately, neither the House or Senate versions of this bill passed out of their respective Committees.

ENVIRONMENT

There were many bills this Session that seek to ban things that are essential to everyday life in Calvert County. All types of bills were introduced, including banning gas-powered leaf blowers, requiring the sale of electric trucks, and invading your private space by mandating EV charging stations in personal homes.

SB 781: Establishing a procedure for the State of Maryland to install offshore wind turbines. Offshore wind turbines are not environmentally friendly. They destroy the ocean ecosystem. I voted against this bill.

<u>HB 123</u>: Allows electric vehicles to drive on HOV lanes with only one person. Non-electric cars must have two persons per car. The Majority Party believes that electric vehicles are cleaner. I offered an amendment that shows otherwise. Cobalt is included in the batteries of electric vehicles and it is mined in the Congo (Africa). The mining process is polluting and decimating the rainforest. I offered an amendment to demonstrate that electric vehicles are causing enormous damage to the rainforest ecosystem. Cobalt is toxic to touch, and to breathe— and is often mined by child labor in the Congo. My amendment was defeated along party lines.

<u>HB 830</u>: This bill requires you to install an electric vehicle charging station when you renovate your home – even if you don't own an electric car. Last year, the Majority Party passed regulations that make it more difficult to own a gas stove. They want you to only use electric stoves. Now, they want to control what you have in your garage. We pay enough taxes to the State of Maryland—leave us alone! I voted against this bill.

<u>HB 230</u>: Requires the sale of new electric medium-sized and heavy trucks by December of 2023. Good luck finding a charger. This legislation will cause deliveries to cost more. Moreover, it will increase demand on the electric grid, and therefore increase the price of electricity. I voted NO.

HB 1060: Allows human remains to be mulched into the backyard soil - naturally, rather than being cremated or properly buried. A homebuyer could have human remains in the backyard and not know it. I voted NO on this bill.

HB 399: Bans the use of gas-powered leaf blowers. This bill did not pass out of Committee.

CALVERT COUNTY BILLS

This Session included several pieces of introduced legislation that will benefit Calvert County greatly. A few I offered myself, and others were sponsored by the Calvert County Delegation and requested by the County Commissioners.

<u>HB 1167</u>: This bill, which I offered, requires all high school students to compare and contrast the blessings of liberty with socialism & Marxism. It would introduce a curriculum which brings individuals who have lived in and experienced these totalitarian regimes to speak to classrooms about what these governments did to their citizens. I believe it is important to remember and discuss history, rather than to pretend it never happened. Unfortunately, this bill did not pass out of Committee.

<u>HB 1168</u>: This is another bill which I introduced and is entitled the 'Calvert County Merit Restoration Act.' It would require the class rank system in Calvert schools to publicly recognize the Valedictorian and Salutatorian in each class. We live in a meritocracy, and students who work hard to achieve their goals should be rewarded for their success. This bill did not pass out of Committee.

Delegation Bills

<u>HB 1174</u>: This bill authorizes the State's Attorney in Calvert County, subject to the approval of the county commissioners, to designate in writing the county attorney or an assistant county attorney to prosecute civil infractions. The designated county attorney or assistant county attorney may exercise the powers of the State's Attorney in connection with a civil infraction. This bill passed in both Chambers.

<u>HB 1177</u>: Authorizing the County Commissioners of Calvert County to enact an ordinance that establishes a local percentage preference for certain procurement contracts. According to the fiscal note of this bill, the small business effect is potentially meaningful in a beneficial manner for Calvert County. This bill did not pass out of Committee.

<u>HB 1178</u>: Altering a certain benefit amount for volunteer Fire & Rescue volunteers — and authorizing the board of commissioners to approve an increase in benefit payment for certain fire and rescue volunteers. I am honored to have passed this legislation.

SUMMARY

While some in Annapolis continue to ignore calls for common sense and fiscal reform --- rest assured, I will fight for policies that encourage parental rights, economic opportunity, fiscal responsibility, educational freedom, liberty and lower taxes on behalf of the people of Calvert County. To that end, I will continue to work diligently to bring tax relief to Marylanders while still funding priorities. My approach will be to focus on common-sense fiscal responsibility. Please continue to closely monitor future Legislative Sessions, as your advocacy and support are crucial to making Maryland a great state once again.

To keep families in Calvert County informed, I send out occasional email updates on state and local issues that may be of interest. If you are not receiving my updates and would like to be added to the email list, please send your name, address, and phone number to mark.fisher@house.state.md.us or feel free to reach my cell phone at (301) 802-3159.

Yours in service,

Mark N. Fisher, Chair Calvert County Delegation