

SUSAN W. KREBS  
Legislative District 9B  
Carroll County

Health and Government  
Operations Committee

Health Facilities &  
Occupations Subcommittee

Public Health & Long Term  
Care Subcommittee



The Maryland House of Delegates  
6 Bladen Street, Room 324  
Annapolis, Maryland 21401  
410-841-3200  
800-492-7122 Ext. 3200  
Fax 410-841-3028  
Susan.Krebs@house.state.md.us

*The Maryland House of Delegates*  
ANNAPOLIS, MARYLAND 21401

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Dear Neighbor:

Thank you for the privilege of allowing me to serve you in Annapolis. This year marked the beginning of my third term as your District 9B State Delegate, and also presented new challenges to the quality of our economic, community and family life here in Carroll County.

On Monday, balloons dropped and confetti flew as the 2011 session of the Maryland General Assembly came to a close at midnight. The 2011 session may go down as one of the most politically contentious sessions in recent memory. Issues like gay marriage, in-state tuition for illegal immigrants, the use of medical marijuana and increases in many taxes and fees deeply divided both the House and the Senate.

Legislators introduced 2,370 House and Senate bills during the 2011 Session. Only 707 passed, some of them good and some very problematic.

**State Budget--** The only legislation mandated by the Maryland Constitution is the budget bill, which consists of both the operating and capital budget, and must be balanced. The Governor presents the budget and the legislature can only make reductions to the Governor's budget. The budget presented by the Governor this year increased spending by \$1 billion.

The \$34 billion **operating budget**, up 10.6 percent from the current fiscal year, still leaves us with structural deficits of more than \$1.6 billion a year for the foreseeable future. The budget is full of taxes and fees that will hit Marylanders from the day they are born until they day they check into a nursing home.

Examples:

- Birth certificates double from \$12 to \$24
- Vehicle titling tax doubles from \$50 to \$100
- New fee automobile dealers charge for "paperwork" \$100
- "Granny bed tax" in nursing homes rises to \$20 a day per bed.
- Hospital assessment adding 2.5% to rates
- Insured Workers Insurance Fund tax of 2%
- Payroll garnishment fee
- Alcohol tax increase from 6% to 9%

The \$925 million **capital budget** is packed with projects across the state and borrows money to pay for them. The Maryland Constitution requires that debt payments be secured by a specific funding source, which in Maryland is the State Property Tax. Budget analysts predict that the state property tax could rise by as much as 50% to 17 cents per hundred if the housing market does not recover and spending continues at the current pace. We Republicans tried

repeatedly to cut capital spending by 5 percent, 3 percent, and even 1 percent, but the majority party would not budge. **I voted against both of these irresponsible budget bills.**

**Pension System.** The General Assembly took a small first step to resolve the state's long-term fiscal crisis by shoring up the state workers' pension system. However, the system still is not sustainable. The state pension system is underfunded by \$19 billion and retiree health care benefits by \$16 billion. The plan keeps the promise to state employees and teachers about what pension they'll receive as long as they pay an additional 2 percent of their salary. Unfortunately, instead of that money going to fix our state's pension fund deficit, Governor O'Malley took this rate increase and allocated it to shore up the General Fund. Employees had been resigned to contributing more into their pension fund, but now are understandably angry because their dollars are going to the General Fund—basically a new tax on state employees and teachers.

### **Controversial bills dominated the 90-day session**

Confronted with a slumping economy, sagging revenues and long-term deficits, the majority party rejected the Republican Caucus alternative budget bill, which would have put Maryland on a course to lower taxes and fiscal stability. Instead, **majority leaders seemed intent on looking for new ways to spend our money and raise our taxes:**

**In-State Tuition for Illegal Aliens.** With all the tax and fee increases imposed on our citizens by the General Assembly this Session, it is mind-boggling to me that the majority party passed legislation to spend millions on immigrants who have come to our country illegally. After a 2 ½ hour debate and a dozen amendments offered to the bill, the in-state tuition bill passed the House by a very close margin. The bill would qualify illegal aliens for in-state college tuition if they have attended Maryland high schools for at least three years and their families pay state taxes. After two years at a community college, those students would automatically qualify for in-state tuition at the four-year state college of their choice (including College Park), as long as they carry a C average.

Since illegal immigrants cannot legally be employed in the United States, it is impossible for the students or their parents to legally meet the criteria of paying Maryland taxes for two years- there is no way to legally accomplish this. In addition, the students are not able to legally work in the United States after graduating. I introduced an amendment that would have barred those here illegally from getting any state financial aid, grants or scholarships. My amendment was voted down. I worked hard to have this very controversial bill defeated.

**Invest Maryland.** The Legislature passed a version of Governor O'Malley's plan to sell \$100 million in discounted tax credits to insurance companies and use the \$70 million in proceeds to invest in emerging Maryland bioscience and technology companies. This legislation turns a board appointed by the Governor into investment brokers and turns taxpayers into venture capitalists. It's a bad investment to boot, considering one out of eight start-up companies manages to survive. If the initial offering is at the floor of the \$70 million discount, the State will have to have a return on investment of 30% just to make up for the discounted tax credit. I voted "no."

**Off-Shore Wind Farms.** Another one of Governor O'Malley's legislative initiatives was to build wind farms off of the coast of Maryland's Ocean City. This legislation did not pass committee because of unresolved concerns over the high cost of wind energy and the effect on

ratepayers. The billions of dollars required to build these wind farms would have been paid for by a surcharge for 20 years on all electric ratepayers in the State of Maryland. The surcharge was estimated from \$2 to \$10 per month on an average family's electric bill. This effort will be studied further over the summer.

**Alcohol Tax.** Under this law rushed through in the waning hours of Session, the sales tax on alcohol sold in stores, restaurants and bars will rise 50 percent, from 6 percent to 9 percent, beginning July 1. Many of us heard radio advertisements before Session about the "Dime a Drink" law that was going to provide revenue for chronically underfunded programs for the disabled and mentally ill. Proponents of this tax hike exploited our state's most vulnerable populations to lobby for the increase. But, in a last-minute bait and switch, their bills died and a new one emerged that gave almost all the proceeds to the "big three" jurisdictions—Baltimore City, Prince George's County and Montgomery County, which is one of the wealthiest counties in the nation. I offered an amendment to direct more of the proceeds to the developmentally disabled community, but the amendment was defeated. I voted No to the tax.

**Gas Tax.** Good news- there was little appetite for raising the gas tax this session due to the ever increasing cost of gasoline at the pumps. Bad news- before the gavel even fell to end the 2011 Regular Session, majority party leaders already were talking about raising the gas tax when the Legislature reconvenes this fall to take up redistricting.

**Unionization of independent home care providers.** Governor O'Malley granted collective bargaining rights to Home Health Care Workers in 2007. As they previously did with family childcare providers, the General Assembly now has made the law permanent. Those who choose not to join the union will be charged a "service fee," another word for union dues. This affects thousands of home health care workers who receive any state subsidized payments such as Medicaid.

**Unionization of all State Employees.** What was once an option is now mandatory for all non-exempt State employees. State employees will begin seeing mandatory union dues taken out of their paychecks beginning July 1<sup>st</sup>. Governor O'Malley included a \$750 bonus for each State employee this year to help offset the impact of the union dues. The \$750 bonus will be paid over 26 pay periods so that the employees will not have as much of an impact on their net pay when the union dues are deducted- in addition to the 2% tax to go to the general fund in the guise of additional pension contributions.

State employees have not had pay increases in three years and have had three years of furloughs. This year the Governor included in his budget five additional paid vacation days for State employees, and there will be no furloughs. I oppose any involuntary expansion of collective bargaining.

**Automatic Parole approval for Life Imprisonment.** This bill changes current law that requires the Governor affirmatively grant release to those prisoners recommended by the Parole Board to receive parole. If he fails to act, the prisoners stay in jail. The new law would grant automatic parole for prisoners serving sentences of life with the possibility of parole if recommended by the parole commission and the Governor fails to act within 180 days. This bad piece of legislation takes away the accountability of the Governor and provides an automatic release with no action. There are currently 50 prisoners' cases sitting on Governor O'Malley's desk waiting for action. With no action, these prisoners will go free. I strongly opposed this bill.

## **Some legislative victories**

I am happy to report that I worked successfully with legislators on both sides of the aisle to protect traditional marriage, toughen laws against both drunk and reckless driving, and protect our pets.

**Defeat of Same Sex Marriage** A tremendous amount of political capital and time was spent this session by the Governor and Speaker of the House to expand the definition of marriage in Maryland to include same-sex partners. After a long debate, the bill narrowly passed the Senate and was expected to easily pass the House. Unexpectedly, House members became uncomfortable with the bill and support waned. After weeks of arm twisting, the bill came to the House floor, and a very emotional bipartisan debate began. As we were expecting a final vote on the bill, the bill was recommitted back to committee because the Democrats could not rally enough votes for passage. I have consistently supported traditional marriage in the State of Maryland.

**Defeat of Gender Identity Bias** - After the failure of the same-sex marriage bill, the LGBT (Lesbian, Gay, Bisexual and Transgender) community turned their efforts to pushing a bill that would ban housing and work-based discrimination on the grounds of “gender identity” to include the transgendered. This bill has failed several times in the past few years but had renewed support this year. The bill was problematic because of its vagueness and the lack of protections for employers and religious groups. The bill passed the House but was defeated in the Senate.

**Passage of Ignition Interlock for Convicted Drunk Drivers**. This bill, which I co-sponsored, will require drunk drivers who far exceed the blood-alcohol limit to use ignition interlock devices on their automobiles. Those who decline breathalyzer tests also would be required to use the devices. Those who refuse would have their licenses revoked.

**Strengthening Vehicular Manslaughter Law**. A new misdemeanor offense known as “manslaughter by vehicle or vessel—criminal negligence” was created, with a potential penalty of three years in prison and a \$5,000 fine. I have worked for several years to finally get this on the books. Currently, the only options for prosecuting a negligent driver/boater who kills someone are a citation or full-blown felony manslaughter charges.

**Halt to Septic System Ban**. The governor’s initiative to prohibit septic tanks in new subdivisions of five or more houses failed in the House, detoured to summer study. Concerns were voiced from around the State about the ban’s impact on growth. The bill, as introduced, would put tremendous costs on new sub-divisions in Maryland, almost with the effect of stopping all growth in suburban and rural areas except very large sub- divisions.

**Direct Wine Shipping**. Legislation allowing wineries to ship directly to Maryland residents passed. The only hindrance is a \$200 fee for out-of-state wineries, which could discourage them from participating.

**Shorter Wait for Divorce**. Bill reduces from two years to 12 months the period of time the couple must live separately without interruption before filing for absolute divorce. It also repeals existing law concerning divorce on the grounds of voluntary separation.

**Additional Protections for Our Pets**. New protections were enacted for our pets. One bill authorizes judges to prohibit defendants from owning, possessing, or residing with an animal as a condition of probation for animal abuse, neglect, or cruelty. Under another bill, restaurants

can permit dogs to accompany owners for outside dining. Also, Maryland joined 15 other states in requiring the addition of bittering agents to engine coolant or antifreeze. Nationally, an estimated 1,400 children and 10,000 pets accidentally ingest engine coolant or antifreeze each year because of its sweet taste.

**Wins for Carroll County.** Local legislation put forth by our Carroll County Delegation was successful. A few of interest:

*Local wineries* will be able to obtain 12 permits a year to sell bottled wine at farmers markets in Carroll County. Under the permits, the wineries also will be able to provide one-ounce samples and sell wine by the glass for on-premises consumption.

*Commissioners' Terms*, at the request of the Commissioners, will be limited to two consecutive four-year terms.

*Sunday hunting* will now be permitted one Sunday during rifle season and five Sundays during bow season on private property in Carroll County.

Unfortunately, our gaming bill for non-profits did not receive a committee vote in either the House or the Senate. Local gaming bills have been bottled up in committees and are supposed to be taken up next year along with some additional statewide gaming bills regarding the expansion of the current slot machine legislation.

Thank you for your input and encouragement when I am here in Annapolis. It helps me to stay connected with the values, hopes and struggles of our neighborhoods, businesses and schools. As always, you may reach my office on Tuesdays through Thursdays during the legislative interim. The House of Delegates office building will be closed over the next five months for renovation, so my staff and I will be working remotely. You may continue to call 410-841-3200. We will retrieve voice mail, e-mails and regular mail and get back to you.

Sincerely,

A handwritten signature in cursive script that reads "Susan Krebs".

Susan W. Krebs  
Delegate, District 9B