

RMC Legislative Committee
March 21, 2016
3pm-4pm via Conference Call
Meeting Minutes

Participants:

Bill Christopher, Dorchester Chamber of
Commerce

Doris Mason, Upper Shore Regional Council

Steve McHenry, MARBIDCO

Linda Prochaska,

Sara Visintainer, Caroline County Government

RMC Staff:

Charlotte Davis, Executive Director

Meredith Donaho, Administrative and
Communications Assistant

The meeting was called to order at approximately 3:05pm.

Chairman Josh Hastings was unable to attend the meeting.

First item began with a review of 2016 Legislation RMC is tracking. A few major movements to note, HB326 – Housing and Community Development – Business Lending and Neighborhood Revitalization– has passed its second reading, the income tax bills are moving: HB1253 & HB 452 - have passed a third reading in the house, and HB1494 – Physician Preceptor – has passed second reading with amendments; SB 411 has a hearing for March 29th. HB1297/SB770 – Education – Public Schools – Ag Science – has passed the Senate, it is no longer a required bill, it is only encouraged (not as strong as we would have preferred).

Charlotte called attention to two specific bills to recommend support:

HB462 – Program Open Space – Transfer Tax Repayment – Use of Funds

The bill will reduce the amount authorized to be transferred from the special fund into which transfer tax revenues are deposited to the general fund, and will require funds to be distributed from the transfer tax special fund, in specified amounts, to specific land preservation and capital development programs/purposes. It will be heard in the Senate on Thursday, March 24th.

Position: The Committee reached a conclusive decision to support the bill; written support testimony will be submitted.

SB 840- Income Tax – Rates, Personal Exemptions, and Earned Income Tax Credit

The bill will increase to 28% the percentage of the federal earned income credit used to determine the amount that an individual may claim as a refundable credit under the Maryland earned income credit.

There was concern about the fiscal impact the bill will have on the Treasury, and a question regarding how much fiscal impact is proportionally due to EITC. Charlotte answered that it is possibly in the \$80 million range, could find out more in a revised fiscal note.

Position: The Committee agreed to continue monitoring the bill

Budget:

The Senate has passed the budget and rejected DLS recommended cuts to RMPIF. The budget will be heard on the House floor today.

Charlotte also discussed that support testimony was provided for Rural Economic Development Bills SB737/SB738, which will provide a specified property tax exemption, income tax subtraction modification, and sales and use tax exemption for 10 years, and will provide \$5 million in mandated appropriations for infrastructure for local government. The 3 tax benefits will be used to gradually phase out One Maryland.

It was also discussed that SB843/HB1255 – Tax Credits – Evaluations and Sunset Provisions will eliminate One Maryland, enterprise zone, Regional Institution Strategic Enterprise (RISE), biotechnology investment, and businesses that create new jobs tax credits.

No other bills were mentioned to be discussed.

The meeting adjourned at approximately 3:26 pm

Next meeting: Monday, April 4th, 2016 at 3pm via conference call.