

Legislative Report- June 18, 2025

Governor Moore was able to have a balanced budget for 2026 passed on the final day of the session to close the \$3.3 billion deficit but there were many actions taken by the General Assembly to achieve that goal in the form of \$1.8 billion taxes and fee increases (including a capital gains surcharge of 2% on incomes over \$350,000, increased taxes on cannabis and sports betting, and numerous vehicle taxes), approximately \$2 billion in spending cuts to staff and services across various state programs, a 3% tax on IT and data services, and reforms to the tax system which created 2 new tax brackets for the highest earners. Other general information about the budget included an energy reform bill and legislation to protect consumers from wasteful utility spending was passed but the fee that was proposed to tax retail delivery services to help fund transportation projects was removed from the final budget bill due to strong opposition. Another component of the new budget increases the maximum local jurisdiction piggyback income tax from 3.2% to 3.3%. It will be interesting if we will see this actual increase on our tax bills this fall. Legislation for shifting pension costs to the counties and Baltimore City passed. On April 8th, Gov. Moore signed into law HB158/SB0223 that combines services of the senior call-check and social connections programs to improve the quality of life for Maryland's elderly. Lastly, on May 6th, the governor signed the 2025 Excellence in Maryland Public Schools Act which will go into effect on July 1, 2025 that will establish reforms to the Blueprint for Maryland's Future which among other things protected the critical expansion of community schools and supports for students in concentrated poverty and avoided huge cuts to expected funding for students in poverty and multilingual learners, in particular.

On April 16th, the MRSPA Legislative Committee finished their work for this current year. As I had reported earlier, there were not many bills that your MRSPA Legislative Committee considered due to the budget deficit and concerns over the uncertainty of federal government funding at the state (as well as local level). You are able to review all actions taken by the MRSPA Legislative Committee on the MRSPA website but this will provide you a summary of the bills we reviewed:

The committee followed 31 of the 2614 bills that were presented. Of those, we supported 13. One topic MRSPA has supported for years was signed into effect on May 20th by Governor Moore (HB 424/SB 357) which expands the authority of the Maryland Prescription Drug Affordability Board that will begin to bring down the cost of some prescription drugs across the state for ALL Marylanders (currently they are mainly diabetic drugs). Other bills the committee supported that were passed include preserving telehealth access (HB 0869/ SP0372), reemployment compensation earnings (HB1033/ SB0693), (HB0604/SB 0466) financial exploitation of vulnerable and senior adults, long term care relief (HB0327/ SB0155), and income tax credit for long-term care premiums.

Besides the budget bill and the corresponding budget reconciliation act that we both opposed with amendments due to the possible negative impact on our members, MRSPA opposed 8 curriculum and election bills all of which failed. Joint resolutions for diversity, equity, and inclusion also both failed.

Finally, for those of you really into what happens in Annapolis, Orange Crush, which was created 30 years ago at the Harborside Bar and Grill in Ocean City, has now become Maryland's official cocktail with exactly 2 minutes to spare before the end of the session! I haven't tried one but perhaps you enjoy it! ☺

Submitted by Carol Howard