

November 27, 2007

TO: THE PEOPLE OF LEGISLATIVE DISTRICT 10

ASSESSING THE 2007 GENERAL ASSEMBLY SPECIAL SESSION

During the recent three week long Special Session of the General Assembly, I was contacted by hundreds of 10th District residents, urging both support and opposition to the Governor's plan to eliminate the State's \$1.5 billion budget deficit. Many people opposed the proposed sales tax increase from 5 cents to 6 cents on the dollar. Many other people urged me to protect and increase the quality of education and prevent college tuition increases, as well as provide access to health care coverage for more Marylanders.

While I supported much of the Governor's plan to eliminate the budget deficit, there were aspects of the proposal I did not support. However, in its entirety, the plan was more of a plus than a minus for Marylanders. I also supported legislation to require the Governor to reduce state spending by \$550 million in next year's budget which will be presented to the upcoming 2008 session.

I supported legislation to let the people of Maryland decide on a November 2008 referendum whether slots will be legalized. But I opposed legislation to also place on referendum the slots implementation program, which spelled out where 15,000 slots will be located, the division of revenues and the procedure for granting slots licenses. My opposition was based on my concern that the bill was amended to remove a living wage for persons employed at slots facilities. Under the implementation program, no slots will be located in Baltimore County.

On the positive side, the special session: provided \$400 million more annually from the sales tax revenue for transportation projects and maintenance... expanded Medicaid coverage to 100,000 additional low-income Marylanders...and increased the corporate income tax from 7% to 8.25%.

Additionally, the session restructured the state income tax to add new brackets for high income earners. The personal exemption was increased by \$800 for single taxpayers who make less than \$100,000 and for joint filers who earn under \$150,000. Unfortunately, the higher exemption will result in a loss of approximately \$82 million in income tax revenue for local governments, forcing some to raise property taxes. Baltimore County will lose \$12.2 million in income tax revenue.

2007 Special Session (cont'd)

In all honesty, I must admit that I left the special session with mixed feelings. Tackling a multi-faceted legislative package and other significant bills, dealing with everything from the environment to health care coverage, in a mere three week period is not appropriate. Certainly, a hurried approach to enactment of major legislative change does not guarantee the most thoughtful or carefully crafted laws.

However, the Governor called a special session...and that was that. I truly believe that we did the best possible job we could within the time frame we were given to work. I regret deeply that because of the time frame we were given, careful study of the proposals and the input of Maryland citizens were less than optimal.

Please do not hesitate to contact me on these or any other legislative issues of concern to you. As always, I encourage and welcome your input.