



HOW MARYLAND'S 188 LEGISLATORS VOTED ON BILLS IMPORTANT TO BUSINESS AND JOBS

“Who’s Gonna Fill Their Shoes?”

Maryland’s General Assembly has lost an astonishing number of Democratic lawmakers who understand and support an agenda friendly to business. In 1994 the legislature benefited from 82 Democrats with cumulative voting scores on business-related legislation of 70 percent or higher. In 2005 there were only eight. (See chart on page 7) The criteria and methods for selection of bills didn’t change, and many members of the non-partisan committee who select the bills were the same over the twelve-year span. So, who is going to fill those 82 pairs of shoes? The implications for Maryland business and politics are profound.

“Who’s Gonna Fill Their Shoes?” is the title of a chapter in Georgia’s former Democratic U. S. Senator Zell Miller’s recent book, *A Deficit of*

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Decency. He is also author of the 2003 best seller, *A National Party No More*. He

borrowed the chapter’s title from the title of a hit song by famed country singer George Jones. It is well known that Senator Miller laments the loss of his party to those he believes no longer reflect the values of America’s founding fathers. He says, “We’re walking in their tracks, but we can’t fill their shoes. And, regrettably, we don’t even want to.” “I didn’t leave the party,” he often says, “The party left me.”

Zell Miller’s story helped MBRG respond to reporters who sought comment about formation of the House Democratic Business Caucus (DBC), which claims to know what a real business agenda and healthy business climate should be. These lawmakers have uniformly low scores in *Roll Call*, MBRG’s annual evalua-

tion of the legislature based on business-related bills, now in its 20th year. Apparently a re-definition of a business agenda will provide them with higher scores and appearance of pro-business respectability. In such muddled waters, the divide-and-conquer of Maryland business might be easier. To compensate for the now-vanished likes of Zell Miller — who voted above 70 percent while in Congress — something like the DBC is not surprising.

Who are the pro-business Democratic exemplars of legislatures past? To name a few: Senators Frank Kelly, Jim Simpson, Cathy Riley, Walter Baker, Larry Levitan, Mickey Stienberg, Charlie Smelser, Frank Komenda, Sid Kramer, Don Fry, Tom O’Reilly, Nancy Murphy, Mike Wagner; Delegates Paul Muldowney, Ethel Murray, Bunky Athey, Joe Owens, Eileen Rehrmann, Richard Dixon, Mike Weir, Terry Connelly, Van Mitchell, Ron Guns, Ken Masters, Doc McClellan. All voted 70 percent or higher. Seventy percent is the average, aggregate score of legislatures in states widely regarded as pro-business. The 2005 average aggregate score of the Maryland legislature was 53 percent.

MBRG’s 30 member Advisory Council believes that unwarranted and damaging

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government intrusion in Maryland businesses reached an all-time high with bills enacted in the 2005 session. This is their assessment *before* factoring the uniquely ill-effects of the Fair Share Health Care bill otherwise known as the “Wal-Mart” bill. Proponents candidly state their intention to expand this mandate to all other businesses. Senator Gloria Lawlah’s and Delegate Anne Healey’s bills making Maryland the only state with a level of

employer-funded health insurance imposed by government will make the payroll tax for health insurance unknowable. This will create great economic instability and a system similar to the disintegrating Canadian system. This is the single most anti-business legislation since the early 1980s when introduction of bills such as one that sent Maryland’s credit card industry to Delaware were routine. The DBC cites the

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Wal-Mart bill in its publicity as the foremost example of pro-business legislation. And according to a September 8, 2005 article in the *Frederick News Post*, DBC founder and chairman, Del. Galen Claggett, wants to cap the price of gasoline and nationalize oil companies.

Any strong business organization would choose the bills found in *Roll Call* to evaluate lawmakers. These bills and their selection process are as non-partisan as penicillin. These types of bills weigh heavily in evaluation of the business climate of any jurisdiction. Individually many of the bills cited in *Roll Call* are oppressive enough to drive the private sector to other states. Together they present a profile of daunting legislative and regulatory unpredictability and an ever-higher barrier to all except those businesses for which proximity to Washington, D.C. is paramount. The strength in Maryland’s economy is in spite of, not because of, the Maryland General Assembly.

Other trends amplify erosion of pro-business Democrats in the legislature. The number of legislators of both parties who have little if any private sector experience is approaching 50 percent; and full-time, career legislators are

...continued on page 7

RESULTS OF THE 2005 SESSION

VICTORIES

- ✓ A bill extending Certificate of Merit to licensed professional firms was approved. See SB 143 on page 2 and HB 404 on page 6.
- ✓ A bill extending the sunset date for research and development tax credits was approved. See SB 217 on pages 2 and 6.
- ✓ A bill providing a financing plan for the construction of the InterCounty Connector was approved. See SB 255 on page 2 and HB 1352 on page 6.
- ✓ A bill banning smoking in all indoor public places in Maryland was defeated. See SB 332 on page 2 and HB 428 on page 6.
- ✓ A bill establishing California-style low emissions vehicle requirements was defeated. See SB 366 on page 2.
- ✓ A bill prohibiting a state agency from procuring with a contractor if more than five percent of the contract is performed outside of the United States was defeated. See SB 402 on page 2.

VICTORIES

- ✓ A bill limiting emissions of nitrogen oxides, sulfur dioxide, mercury, and carbon dioxide from power plants and some manufacturers was defeated. See SB 744 on page 2 and HB 1169 on page 6.
- ✓ A bill establishing a payroll tax on any business with more than 10,000 employees in Maryland unless the business annually spends more than eight percent of its wages on health insurance costs was vetoed. See SB 790 on page 7 and HB 1284 on page 6.
- ✓ A bill imposing Maryland transfer and recordation taxes on certain transfers of real property held by businesses was defeated. See HB 1 on page 6.
- ✓ An amendment enabling counties and municipalities to purchase electricity as aggregators and provide electricity to customers was defeated. See HB 215 on page 7.
- ✓ A bill increasing Maryland’s minimum wage rate to \$6.15 per hour was vetoed. See HB 391 on pages 6 and 7.
- ✓ A bill restricting business contributions to state election campaigns was defeated. See HB 566 on page 6.

VICTORIES

- ✓ A bill requiring the State to publish annual reports detailing proprietary business information was defeated. See HB 1066 on page 6.

DEFEATS

- ✗ A bill limiting the total amount of supersedeas bonds to \$25 million during the appeals process was defeated. See HB 639 on page 6.
- ✗ A bill prohibiting some businesses from selling gift certificates with fees or expiration dates within four years after the issue date was approved. See SB 8 on page 2 and HB 551 on page 6.
- ✗ A bill authorizing up to 15,500 video lottery terminals at specific locations around the State was defeated. See SB 205 on page 2.

2005 Senate Vote Descriptions



Sen. David R. Brinkley (R)

This Carroll & Frederick County Senator tied with Cecil and Harford County Senator Nancy Jacobs with the highest MBRG cumulative score (92) among all veterans in the Senate (minimum of four year service in the legislature).

1 SB 8 – Senator Klausmeier Commercial Law – Gift Certificates and Gift Cards – Expiration and Fees – Restrictions and Prohibitions

Prohibits certain businesses from selling gift certificates with fees or expiration dates within five years after the issue date. In addition, the bill requires these businesses to provide advance disclosure of any expiration dates or fees that take effect three years after issuance. However, the bill allows gift cards that are processed through a national credit or debit card service to immediately include expiration dates or fees if the terms are disclosed properly. As a result, some businesses that use gift certificates will be subject to restrictions while others that issue gift cards will be subject to disclosure only, placing certain businesses, mostly smaller businesses, at a competitive disadvantage. This bill creates an unnecessary and inconsistent regulatory procedure that consumers will find confusing and issuers will find unfair.

A “+” indicates a vote against SB 8 and reflects MBRG’s opposition to excessive and inconsistent regulation of legitimate business transactions. Disagreeing with MBRG’s position, the Senate approved SB 8, 40-4, on March 14, 2005 at 8:44 p.m. Subsequently, the limitation on fees and expiration dates was amended to four years in a conference committee. The bill was signed into law on May 26, 2005.

2 SB 143 – Senator Haines Courts – Certificate of Merit – Employer of Licensed Professional

Corrects a Court of Appeals ruling that limited Certificate of Merit to individuals, leaving design professional firms vulnerable to frivolous lawsuits. A Certificate of Merit is a document with which a qualified expert certifies that the reason for a complaint or lawsuit is related to the work done by the design professional under scrutiny and therefore has merit. This bill changes the law for claims filed after October 1, 2005 to include firms that employ the licensed design professional. By requiring individuals who bring lawsuits against professional associations to file a Certificate of Merit, this bill will reduce tort case filings and lower liability insurance premiums for many businesses that employ design professionals.

A “+” indicates a vote for SB 143 and reflects MBRG’s support for tort reform legislation. Agreeing with MBRG’s position, the Senate approved SB 143, 46-0, on March 7, 2005 at 8:33 p.m. The bill was signed into law on April 26, 2005.

3 SB 205 – Administration Public Education Bridge to Excellence – Funding – Video Lottery Terminals

Authorizes up to 15, 500 video lottery terminals (VLTs), also known as slot machines, at four potential horse racing tracks and three nontrack locations in Maryland. The bill also creates an Education Trust Fund that will receive a significant percentage of gross VLT revenues to help fund the Bridge to Excellence in Public Schools Act of 2002. VLT revenues will provide significant increases for

horse racing purses, school construction, and the Geographic Cost of Education Index. The legalization of slot machines will generate a significant, new source of revenue to help reduce the state budget deficit, preserve educational funding commitments, and stimulate economic growth.

A “+” indicates a vote for SB 205 and reflects MBRG’s support for legislation that avoids tax increases, funds the Bridge to Excellence in Public Schools Act of 2002, and allows a legitimate business to operate in the state. Agreeing with MBRG’s position, the Senate approved SB 205, 26-21, on February 18, 2005, at 11:02 a.m. Subsequently, the House Ways and Means committee took no action on this bill.

4 SB 217 – Administration Research and Development Tax Credit

Extends the sunset date for the research and development tax credits from June 30, 2006 to June 30, 2012 and extends the time period in which tax credits may be earned to tax years 2005 through 2010. The bill caps the total amount of allowable credit at \$6 million. This bill helps Maryland continue to compete with many other states that have enacted research and development income tax credits. The bill also will increase business investment in research and development activities in Maryland, which will create new jobs, as well as attract and retain businesses that engage in research and development.

A “+” indicates a vote for SB 217 and reflects MBRG’s support for legislation that improves Maryland’s business climate by providing targeted tax credits. Agreeing with MBRG’s position, the Senate approved SB 217, 47-0, on March 24, 2005 at 10:48 a.m. The bill was signed into law on April 26, 2005.

5 SB 255 – Senator DeGrange Department of Transportation and Maryland Transportation Authority – Debt, Authority, and Financing

Provides a financing plan for the construction of the InterCounty Connector (ICC) in Montgomery and Prince George’s County. The proposed ICC is a 17-mile, controlled access, divided highway that will connect I-270 and I-95. The road will facilitate access between the Greater Washington and Greater Baltimore areas, link businesses in Montgomery County with BWI Airport, provide an efficient means for the flow of interstate and intrastate commerce, and alleviate traffic congestion in this region. The bill also restores the Maryland Transportation Authority’s ability to issue general revenue bonds and codifies the amount of Grant Anticipation Revenue Vehicle (GARVEE) bonds that can be used to build the ICC.

A “+” indicates a vote for SB 255 and reflects MBRG’s support for legislation that secures funding for vital improvements to Maryland’s transportation system. Agreeing with MBRG’s position, the Senate approved SB 255, 32-14, on April 1, 2005 at 11:36 a.m. The bill was signed into law on May 26, 2005.

6 SB 332 – Senator Ruben Clean Indoor Air Act of 2005

Bans smoking in all public places in Maryland, including restaurants, bars, and tobacco shops. Revenues from smoking patrons of bars and restaurants, especially those within proximity to the District of Columbia, Pennsylvania, Virginia, and West Virginia borders, will likely decline as smoking customers go to restaurants or bars that do not ban smoking, stay home, or reduce the hours they spend in Maryland bars and restaurants.

A “+” indicates a vote against SB 332 and reflects MBRG’s opposition to legislating business policies that should be determined voluntarily by business owners and customers. Agreeing with MBRG’s position, the Senate Finance Committee rejected SB 332, 5-5, on March 7, 2005.

7 SB 366 – Senator Grosfeld Maryland Clean Cars Act of 2005

Requires the Department of Environment and the Motor Vehicle Administration to adopt regulations by June 1, 2006 to establish a low emissions vehicle (LEV) program equivalent to California’s LEV Program. The standards are applicable to vehicles of the model year 2009 and thereafter. This change creates unnecessary, new costs for manufacturers but fails to produce any air quality benefit. The federal government already has adopted standards that provide the same benefit as the California standards without increasing manufacturing costs.

A “+” indicates a vote against SB 366 and reflects MBRG’s opposition to legislation that duplicates federal law and increases manufacturing costs without achieving environmental benefits. Agreeing with MBRG’s position, the Senate Judicial Proceedings Committee rejected SB 366, 5-6, on March 18, 2005.

8 SB 402 – Senator Pinsky Procurement – Contracts for Services Rendered Outside the United States – Prohibitions

Prohibits a state agency from procuring with a contractor if more than five percent of the contract is performed outside of the United States. Agencies may also terminate contracts and bring civil actions in State or federal court if a contractor exceeds the five percent threshold. This bill will restrict or bar many of the State’s information technology service contracts for software development, software maintenance, international phone services, and satellite communications. In addition, the bill prevents businesses from seeking operational efficiencies that may increase value and/or lower costs to the State.

A “+” indicates a vote against SB 402 and reflects MBRG’s opposition to legislation that limits participation and efficiency in the State procurement process. Disagreeing with MBRG’s position, the Senate approved SB 402, 30-17, on April 4, 2005 at 10:49 p.m. Subsequently, the House Rules and Executive Nominations Committee re-referred SB 402 to the House Health and Government Operations Committee.

9 SB 744 – Senator Pinsky Environment – Air Quality - Emissions of Four Pollutants from Power Plants

Establishes limits on emissions of nitrogen oxides, sulfur dioxide, mercury, and carbon dioxide from power plants and some manufacturers beginning in 2011. However, affected facilities must begin to submit annual emissions performance reports and a compliance plan in December 2006 to the Maryland Department of the Environment, the Department of Natural Resources, and the Public Service Commission. The limits are more restrictive than federal law and include first-in-the-nation restrictions on carbon dioxide and first-in-the-world restrictions on mercury emissions. This bill will increase the price of electricity, threaten reliable electric supply in Maryland, and force the closure of many coal-burning power plants.

A “+” indicates a vote against SB 744 and reflects MBRG’s opposition to legislation that exceeds federal requirements and those of surrounding states. Disagreeing with MBRG’s position, the Senate Education, Health and Environmental Affairs Committee approved SB 744, 6-3, on March 18, 2005 but the bill was re-committed on March 24, 2005 after the House version was defeated.

see 2005 Senate...continued on page 7

MARYLAND SENATE VOTES

Please refer to pages 2 and 7 for a full description of each vote.	1	2	3	4	5	6	7	8	9	10	11	12	2005 MBRG %	2005 Percentile	MBRG CUM %
Allegany, Garrett & Washington Counties 1 John J. Hafer (R) *	nv	+	+	+	+	+	■	+	■	+	+	+	100%	94	80%
Washington County 2 Donald F. Munson (R) *	nv	+	+	+	+	■	■	+	■	+	+	+	100%	94	79%
Frederick & Washington Counties 3 Alexander X. Mooney (R) *	-	+	-	+	+	■	+	+	■	+	-	+	70%	68	82%
Carroll & Frederick Counties 4 David R. Brinkley (R) *	-	+	+	+	+	■	■	+	■	+	+	+	89%	81	92%
Baltimore & Carroll Counties 5 Larry E. Haines (R) *	-	+	-	+	+	■	+	+	■	+	+	+	80%	77	86%
Baltimore County 6 Norman R. Stone, Jr. (D)	-	+	+	+	-	■	+	-	■	-	-	-	40%	36	49%
Baltimore & Harford Counties 7 Andrew P. Harris (R) *	-	+	+	+	+	■	■	+	nv	+	-	+	78%	74	86%
Baltimore County 8 Katherine A. Klausmeier (D)	-	+	+	+	+	■	■	-	■	-	-	-	50%	47	68%
Carroll & Howard Counties 9 Allan H. Kittleman (R)	-	+	+	+	+	■	■	+	+	+	+	+	90%	85	-
Baltimore County 10 Delores G. Kelley (D)	-	+	-	+	-	■	■	-	■	-	-	-	20%	0	36%
Baltimore County 11 Paula Colodny Hollinger (D)	-	+	+	+	+	■	■	-	-	-	-	-	40%	36	49%
Baltimore & Howard Counties 12 Edward J. Kasemeyer (D)	-	+	+	+	+	■	■	+	■	-	+	-	67%	57	63%
Howard County 13 Sandra B. Schrader (R)	-	+	+	+	o	■	■	+	■	+	o	+	86%	79	56%
Montgomery County 14 Rona E. Kramer (D)	-	+	+	+	+	■	■	+	■	-	+	-	67%	57	58%
Montgomery County 15 Rob Garagiola (D)	-	+	+	+	+	■	■	-	-	■	-	-	40%	36	39%
Montgomery County 16 Brian E. Frosh (D)	-	+	-	+	-	■	■	-	-	■	-	-	20%	0	33%
Montgomery County 17 Jennie M. Forehand (D)	-	+	-	+	+	■	■	-	-	■	-	-	30%	11	39%
Montgomery County 18 Sharon Grosfeld (D)	-	+	-	+	-	■	■	-	-	-	-	-	20%	0	25%
Montgomery County 19 Leonard H. Teitelbaum (D)	-	+	+	+	-	■	■	-	■	-	-	-	30%	11	48%
Montgomery County 20 Ida G. Ruben (D)	-	+	-	+	+	■	■	-	■	-	-	-	33%	28	40%
Anne Arundel & Prince George's Counties 21 John A. Giannetti, Jr. (D)	-	+	+	+	+	■	-	-	■	-	-	-	40%	36	45%
Prince George's County 22 Paul G. Pinsky (D)	-	+	-	+	-	■	■	-	-	-	-	-	20%	0	29%
Prince George's County 23 Leo E. Green (D)	-	+	-	+	+	■	■	-	-	■	-	-	30%	11	42%
Prince George's County 24 Nathaniel Exum (D)	-	+	-	+	-	■	■	-	-	■	+	-	30%	11	34%
Prince George's County 25 Ulysses Currie (D)	nv	+	+	+	+	■	■	-	■	-	+	-	63%	55	50%
Prince George's County 26 Gloria Lawlah (D)	-	nv-	+	+	+	■	■	-	■	-	-	-	33%	28	48%
Calvert & Prince George's Counties 27 Thomas V. Mike Miller, Jr. (D)	-	+	+	+	+	■	■	-	■	-	nv	-	50%	47	64%
Charles County 28 Thomas M. Middleton (D)	-	+	-	+	+	nv [∇]	■	-	■	-	-	-	33%	28	62%
Calvert, Charles, & St. Mary's Counties 29 Roy Dyson (D)	-	+	-	+	-	■	■	-	o	-	-	+	33%	28	53%
Anne Arundel County 30 John C. Astle (D)	-	+	-	+	+	-	■	-	■	+	+	-	50%	47	68%
Anne Arundel County 31 Philip C. Jimeno (D)	-	+	-	+	+	■	+	-	■	+	+	+	70%	68	64%
Anne Arundel County 32 James E. DeGrange, Sr. (D)	+	+	+	+	+	■	■	-	■	+	+	+	89%	81	65%
Anne Arundel County 33 Janet Greenip (R) *	+	+	-	+	+	■	■	+	+	+	+	+	90%	85	90%
Cecil & Harford Counties 34 Nancy Jacobs (R) *	+	+	+	+	+	■	+	+	■	+	+	+	100%	94	92%
Harford County 35 J. Robert Hooper (R) *	-	+	-	+	-	+	■	+	■	o	+	+	67%	57	75%
Caroline, Cecil, Kent, & Queen Anne's Counties 36 E. J. Pipkin (R)	-	+	+	+	+	+	■	+	■	+	+	+	90%	85	81%
Caroline, Dorchester, Talbot & Wicomico Counties 37 Richard Colburn (R) *	-	+	+	+	+	■	■	+	+	+	+	+	90%	85	83%
Somerset, Wicomico & Worcester Counties 38 J. Lowell Stoltzfus (R) *	-	+	-	+	+	■	■	+	■	+	+	o	75%	72	81%
Montgomery County 39 Patrick J. Hogan (D) *	-	+	+	+	+	■	■	+	■	-	+	-	67%	57	75%
Baltimore City 40 Ralph M. Hughes (D)	-	+	-	+	-	■	+	-	■	-	-	-	30%	11	35%
Baltimore City 41 Lisa A. Gladden (D)	-	+	+	+	-	-	■	-	■	-	+	-	40%	36	35%
Baltimore County 42 Jim Brochin (D)	-	+	+	+	-	■	■	-	-	-	-	-	30%	34	39%
Baltimore City 43 Joan Carter Conway (D)	-	+	-	+	+	■	■	-	-	-	-	-	30%	11	36%
Baltimore City 44 Verna L. Jones (D)	-	+	+	+	+	■	■	-	■	-	+	-	56%	53	37%
Baltimore City 45 Nathaniel J. McFadden (D)	+	+	+	+	+	■	■	-	■	-	+	-	67%	57	50%
Baltimore City 46 George W. Della, Jr. (D)	-	+	-	+	-	+	■	-	■	-	-	-	30%	11	48%
Prince George's County 47 Gwendolyn Britt (D)	-	+	-	+	-	■	■	-	-	-	-	-	20%	0	29%

MBRG RATING SYSTEM

* Legislators with stars next to their names served at least four years in the House or Senate and achieved an MBRG CUM % of 70% or greater.

+ A "right" vote, supporting the MBRG position for business and jobs.

- A "wrong" vote, contrary to the MBRG position for business and jobs.

o Legislator excused from voting, resulting in no effect on a legislator's rating.

nv Legislator did not vote on a bill on which MBRG has taken a position of opposition, resulting in no effect on a legislator's rating.

nv- Legislator did not vote on a bill on which MBRG has taken a position of support, resulting in the lowering of a legislator's rating. Therefore, a legislator is penalized when his or her vote could have

helped to achieve a constitutional majority (24 of 47 votes in the Senate and 71 of 141 votes in the House) for the passage of a bill.

nv[∇] As committee chairperson, legislator chose not to vote, resulting in no effect on a legislator's rating.

■ Legislator did not serve on the committee that reviewed the bill, resulting in no effect on a legislator's rating.

■ Votes on issues identified by the Maryland Chamber of Commerce's Business Agenda

2005 MBRG % 2005 percentage is derived by dividing the number of "+" votes by the number of bills on which the legislator voted plus the number of "NV-" marks.

2005 Percentile In order to compare a legislator's score with his or her colleagues, both Senate and House members have been ranked by percentiles. The percentile represents where a legislator's 2005 MBRG % rating ranks in relation to other legislators' ratings. For example, a Senator with a percentile ranking of 78 has a 2005 MBRG rating greater than 78 percent of his or her fellow Senators during this time period.

MBRG CUM % Cumulative percentage is based on a legislator's voting record since the year MBRG began rating the legislator, as early as 1986 or since that legislator's first year in an earlier House seat, through 2005. The percentage is derived by dividing the total number of "+" votes by the number of bills on which the legislator voted plus the number of "NV-" marks. A short red dash (-) in this column means a legislator is a freshman and therefore has no cumulative record.



2005 House Vote Descriptions



Del. John F. Wood, Jr. (D)

Among veteran Democrats in the House (minimum of four years of service), this Charles and St. Mary's County legislator has the highest MBRG cumulative score (75).

1 SB 217 – Administration Research and Development Tax Credit

See Senate Vote 4 on page 2 for a description of SB 217.

A "+" indicates a vote for SB 217 and reflects MBRG's support for legislation that improves Maryland's business climate by providing targeted tax credits. Agreeing with MBRG's position, the House approved SB 217, 131-0, on April 9, 2005 at 5:37 p.m.

2 HB 1 – The Speaker Public School Construction Assistance Act of 2005

Imposes Maryland transfer and recordation taxes on the transfer of real property valued at \$1 million or more when the transfer occurs through the sale of a controlling interest in a business entity and dedicates certain taxes collected to school construction for fiscal 2006 through 2009. Currently, Maryland's transfer and recordation taxes are imposed on changes in legal title to real property only. Such transactions use Maryland's land records, and the tax supports this essential government service. However, this bill extends the tax to real estate transactions that do not affect land records or title to real property, such as the issuance of equity interests by a real estate entity, stockholders or partner buyouts, and other ordinary business transactions among businesses and persons jointly owning real estate.

A "+" indicates a vote against HB1 and reflects MBRG's opposition to legislation that creates new taxes on Maryland real estate transactions. Disagreeing with MBRG's position, the House approved HB 1, 108-22, on February 24, 2005 at 10:24 a.m. Subsequently, the Senate Budget and Taxation Committee took no action on this bill.

3 HB 391 – Delegate D. Davis Labor and Employment - Minimum Wage – Increase

See Senate Vote 12 on page 7 for a description of HB 391.

A "+" indicates a vote against HB 391 and reflects MBRG's opposition to legislating wage rates. Disagreeing with MBRG's position, the House approved HB 391, 84-50, on March 24, 2005 at 1:38 p.m.

4 HB 404 – Delegate Doory Courts – Certificate of Merit – Licensed Professional

See Senate Vote 2, SB 143, on page 2 for a description of HB 404, its companion bill.

A "+" indicates a vote for HB 404 and reflects MBRG's support for tort reform legislation. Agreeing with MBRG's position, the House approved HB 404, 133-1, on March 3, 2005 at 10:58 a.m.

5 HB 428 – Delegate Frush Clean Indoor Air Act of 2005

See Senate Vote 6, SB 332, on page 2 for a description of HB 428, its companion bill.

A "+" indicates a vote against HB 428 and reflects MBRG's opposition to legislating business policies that should be determined voluntarily by business owners and customers. Agreeing with MBRG's position, the House Health and Government Operations Committee rejected HB 428, 11-12, on March 22, 2005.

6 HB 551 – Delegate Quinter Commercial Law – Gift Certificates and Gift Cards – Expiration and Fees – Restrictions and Prohibitions

See Senate Vote 1, SB 8, on page 2, for a description of HB 551. However, HB 551 includes a three-year limitation on fees and expiration dates.

A "+" indicates a vote against HB 551 and reflects MBRG's opposition to excessive and inconsistent regulation of legitimate business transactions. Disagreeing with MBRG's position, the House approved HB 551, 113-21, on April 7, 2005 at 12:25 p.m.

7 HB 566 – Delegate Bobo Campaign Finance – Affiliated Business Entities – Attribution of Contributions

Applies existing attribution rules for campaign contributions to other businesses that have the same ownership, including a partnership, a limited liability company, and a real estate investment trust. Under current law, most businesses, regardless of ownership, are permitted to make \$10,000 in total campaign contributions during a four-year election cycle, but no more than \$4,000 to any one campaign. Although many businesses have the same ownership, their location, industry, corporate, and political interests may differ. This bill prevents these businesses from participating equally in the election process but creates no similar restriction upon other related, non-business entities such as labor unions, members of common associations, etc.

A "+" indicates a vote against HB 566 and reflects MBRG's opposition to legislation that unfairly restricts business contributions to state election campaigns. Disagreeing with MBRG's position, the House approved HB 566, 82-53, on March 17, 2005 at 10:32 a.m. Subsequently, the Senate Education Health and Environmental Affairs Committee took no action on this bill.

8 HB 639 – Delegate Conway Supersedeas Bonds – Limitation on Amount

Limits the total amount of the supersedeas bond required to stay enforcement of a civil court judgment to \$25 million effective October 1, 2005. This allows a defendant to appeal large civil judgments without the threat of enforcement until all appeal rights have been exhausted. Currently, the defendant may be required to post a bond for the amount of the damage award while the case is on appeal or be subjected to the defendant enforcing the judgment. Posting a bond for large damage awards may be cost prohibitive and cause the defendant to settle the case on unfavorable terms or forego appeal entirely. Neighboring states such as Virginia, Pennsylvania, and West Virginia have such limits.

A "+" indicates a vote for HB 639 and reflects MBRG's support for legislation that enables businesses to appeal large civil judgments. Disagreeing with MBRG's position, the House Judiciary Committee rejected HB 639, 9-12, on March 10, 2005.

9 HB 1066 – Delegate Jones Economic Development and Tax Incentive Act

Requires the Department of Assessments and Taxation and the Department of Business and Economic Development to compile and publish annually the Unified Property Tax Exemption and Credit Report and the Unified Economic Development and Tax Incentive Report. These reports detail business tax credits, exemptions, and development subsidies that are greater than \$50,000. This sweeping disclosure mandate produces little meaningful data, but divulges proprietary information for thousands of businesses, which will frustrate the economic development goals that these incentives were designed to achieve.

A "+" indicates a vote against HB 1066 and reflects MBRG's opposition to legislation that requires businesses to divulge proprietary information. Disagreeing with MBRG's position, the House approved HB 1066, 83-50, on March 28, 2005 at 3:33 p.m. Subsequently, the Senate Budget and Taxation Committee took no action on this bill.

10 HB 1169 – Delegate Hubbard Environment – Air Quality - Reducing Emissions of Four Pollutants from Power Plants

See Senate Vote 9, SB 744, on page 2, for a description of HB 1169, its companion bill.

A "+" indicates a vote against HB 1169 and reflects MBRG's opposition to legislation that exceeds federal requirements and those of surrounding states. Agreeing with MBRG's position, the House Economic Matters Committee rejected HB 1169, 4-15, on March 24, 2005.

11 HB 1284 – Delegate Healey Fair Share Health Care Fund Act

See Senate Vote 10, SB 790, on page 7 for a description of HB 1284, its companion bill.

A "+" indicates a vote against HB 1284 and reflects MBRG's opposition to legislation that creates a State mandated level of employer funded health insurance benefits. Disagreeing with MBRG's position, the House approved HB 1284, 84-50, on March 25, 2005 at 5:19 p.m.

12 HB 1352 – Delegate Madaleno Department of Transportation and Maryland Transportation Authority – Debt, Authority, and Financing

See Senate Vote 5, SB 255, on page 2 for a description of HB 1352.

A "+" indicates a vote for HB 1352 and reflects MBRG's support for legislation that secures funding for vital improvements to Maryland's transportation system. Agreeing with MBRG's position, the House approved HB 1352, 105-27, on March 28, 2005 at 3:27 p.m.



Del. Anthony J. O'Donnell (R)

Among all veteran Republicans (minimum of four years of service) in the House and Senate, this Calvert and St. Mary's County legislator has the highest MBRG cumulative score (94).

A Message to Our Legislators

Before introducing or voting on legislation, we encourage legislators to consider the following questions:

1. Will the legislation increase or decrease the cost of doing business for companies in Maryland?
If the answer is increase, will the added costs of the legislation and subsequent regulations exceed the added benefit to Maryland's residents?
2. Will the legislation and subsequent regulations be more or less stringent than, or contradictory to, federal law and regulations, or will it give Maryland a competitive advantage or disadvantage with other states?
3. Will the legislation encourage or discourage companies from adding new jobs or keeping current jobs in Maryland?
4. Will the legislation encourage or discourage individuals and/or businesses from investing, building, owning or renting property, or selling and buying goods and services in Maryland?
5. Will the legislation promote or impede the competitive market by removing or imposing legal, economic and/or regulatory burdens, taxes, or costs?
6. Is there another way to solve the problem or address the issue without legislation, or is there existing legislation addressing the matter?
7. Will introducing the bill send a positive or negative message about Maryland's business climate?

If you are unsure of the answers to these questions, we encourage you to contact a representative from the potentially affected industry to solicit assistance.

2005 Senate Vote Descriptions *(continued from page 2)*



Sen. Patrick J. Hogan (D)

Among veteran Democrats (minimum of four years of service) in the Senate, this Montgomery County legislator has the highest MBRG cumulative score (75).

10 SB 790 – Senator Lawlah Fair Share Health Care Fund Act

Establishes the Fair Share Health Care Fund with revenues collected from a payroll tax on any business with more than 10,000 employees in Maryland unless the business annually spends more than eight percent of its wages on health insurance costs. Each business with over 10,000 employees must report extensive information annually to the Secretary of Labor, Licensing and Regulation on January 1st, including identifying the source of health insurance benefits for each employee that has declined health insurance coverage. However, the bill fails to address the rising cost of health care for businesses and uninsured workers. This bill will make Maryland the only state in the country with a mandated level of employer-funded health insurance benefits.

A "+" indicates a vote against SB 790 and reflects MBRG's opposition to legislation that

creates a State mandated level of employer funded health insurance benefits. Disagreeing with MBRG's position, the Senate approved SB 790, 30-16, on April 5, 2005 at 1:15 p.m. The bill was vetoed on May 19, 2005.

11 HB 215 – Senator Green Electric Restructuring – Competitive Metering – Amendment

Amends HB 215 to enable counties and municipalities to purchase electricity as an aggregator and to provide electricity to customers under local government supervision. The amendment enables local governments to capture all electricity customers residing within their boundaries, and customers can only return to their original suppliers by affirmatively submitting a written statement to opt out of the program. This amendment legislates governmental slamming of electric customers away from previously selected suppliers, stifling competition and causing adverse consequences for businesses that provide electricity to residential consumers. To protect themselves from a massive movement of customers, suppliers will increase the electric rates Maryland customers pay.

A "+" indicates a vote against the amendment to HB 215 and reflects MBRG's opposition to legislation that creates unfair competition, higher electricity prices, and unwarranted governmental intrusion into the electricity business. Disagreeing with MBRG's position, the Senate approved the amendment to HB 215, 23-22, on April 1, 2005 at 12:40 p.m. Subsequently, the House rejected the Senate amendment.

12 HB 391 – Delegate D. Davis Labor and Employment – Minimum Wage – Increase

Increases Maryland's minimum wage rate to \$6.15 per hour but exempts state and local governments from the higher wage mandate. The bill decouples Maryland's minimum wage from the Federal minimum wage of \$5.15 per hour and increases overhead costs for private sector employers only. As a result, businesses will hire fewer new employees, low-skilled workers will be displaced, and businesses will have fewer dollars for investment and expansion. This bill also prevents the labor market from determining wage rates, which creates an unstable business environment for Maryland's small business owners who are most vulnerable to economic downturns.

A "+" indicates a vote against HB 391 and reflects MBRG's opposition to legislating wage rates. Disagreeing with MBRG's position, the Senate approved HB 391, 30-16, on April 6, 2005 at 12:23 p.m. The bill was vetoed on May 20, 2005.



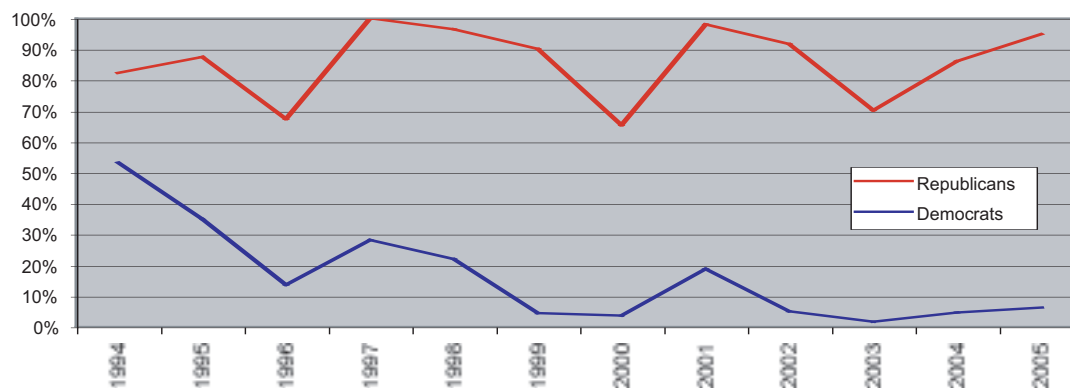
Sen. Nancy Jacobs (R)

This Cecil and Harford County Senator tied with Carroll and Frederick County Senator David R. Brinkley with the highest MBRG cumulative score (92) among all veterans in the Senate (minimum of four year service in the legislature).

"Who's Gonna Fill Their Shoes?" *(continued from page 1)*

nearing 70 percent. Both categories have strong tendencies to vote against employers due to a lack of understanding or active hostility. And Republican legislators increasingly show they don't get it as exemplified by the absence of six of eight representatives on the House Health & Government Affairs Committee during the Wal-Mart bill hearing. This leads us to invoke again this year the observation of one of the nation's foremost site location executives, Steve Fragapane. In an MBRG program for legislators — long before emergence of the above data — he said, "The gulf between the business community and the legislature is greater in Maryland than any other state."

It is as much the responsibility of the legislature to seek a genuine understanding of business as it is of business to communicate with the legislature. Maybe the Democratic Business Caucus fig leaf contains a vein of promise. Perhaps they will take a serious look at the nature of a rigorous, non-partisan business agenda. Small business owners and CEOs of larger companies certainly are willing to meet with the DBC. In the meantime, Maryland business must be vigilant to oppose attempts by politicians to define the agenda by which they are measured. And business must redouble its communication with legislators.*



The chart above compares the percentage of Maryland General Assembly Republicans who earned MBRG Roll Call scores of 70% or higher from 1994-2005 with the percentage of Democrats over the same time period. The percentage of Democrats has declined from a high of 53% in 1994 to 8% in 2005 while the percentage of Republicans has remained consistently high.

How the Votes Are Selected

To get an accurate picture of the Maryland legislature's attitudes toward business, jobs, economic growth, and investment in the state, MBRG's 30-member State Advisory Council selects those recorded votes from the last General Assembly session having practical or philosophical importance to the widest possible range of Maryland businesses, trade associations, and chambers of commerce. For the 2005 edition, MBRG also surveyed the General Assembly on their views of important legislation affecting business and industry. The council reviewed all survey responses during the selection process.

In order to arrive at the most accurate measure of the legislature's position on business matters, we include votes taken from different stages of the legislative process: final (third reader), in committee, votes on amendments and critical motions, and votes on gubernatorial nominations. We may at times omit a particular piece of legislation due to a lack of strong consensus within the business community.

Although this evaluation process summarizes a legislative system that involves weeks of debate, amendment, and compromise, voting records remain the best indicator of a legislator's

inclination. MBRG neither gives pass/fail scores nor expressly or implicitly endorses or rejects any incumbent on the basis of certain selected votes. A complete evaluation of a legislator's support for business should be made by examining committee and floor votes and considering unrecorded matters such as performance on subcommittees, communication with business representatives, and service to constituent businesses.

As it has since 1986, MBRG includes bills in *Roll Call* that also are prominent in the Maryland Chamber of Commerce's annual Business Agenda. By incorporating this additional information, *Roll Call* can depict which bills were defined clearly to legislators as important business legislation. Although not all of the votes on Business Agenda bills appear in this evaluation, those that do are shaded in yellow and are weighted equally with other selected votes.

Roll Call is intended to improve the understanding by elected and appointed officials of the effect of public policy on businesses and the willingness and ability of businesses to create jobs, invest, and prosper in Maryland. It is our belief that a positive business climate is critical to all other social progress. *

A Word About MBRG

MBRG's purpose is to inform Maryland's business community, elected officials, and the general public about the political and economic environment needed to foster economic development and job creation in Maryland.

Annual evaluations of the voting records of Maryland's state and federal legislators enable MBRG to hold politicians accountable for the state's economic well-being like no other organization.

MBRG is a statewide, nonpartisan political research and education organization supported by corporations, trade associations, chambers of commerce, and individuals.



MBRG Membership Application

Please photocopy and mail.

We recognize that among businesses there are many variables in choosing a membership level. Please consider the following criteria in selecting an appropriate level of membership: gross revenues, net earnings, number of employees, presence in state, and interest and commitment to MBRG's purpose—to improve the role of business in Maryland's public policy and provide support for pro-business candidates of both parties.

Name _____

Title _____

Company _____

Address _____

City _____ State _____ Zip Code _____

Phone _____ Fax _____

E-Mail _____

Enclosed is a check in the amount of \$ _____

Please make all checks payable to **MBRG** and mail with membership application to: MBRG, 1122 Kenilworth Drive, Suite 503, Baltimore, MD 21204.

For more information visit our web site: <http://www.mbrg.org> or call 410-296-5621.

Contributions and dues to MBRG are not tax-deductible as charitable contributions; however, they may be tax-deductible as ordinary and necessary business expenses.

MBRG Membership Levels	
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<input type="checkbox"/> Chairman	\$ 5,000
<input type="checkbox"/> President	\$ 2,500
<input type="checkbox"/> Leadership	\$ 1,500
<input type="checkbox"/> Benefactor	\$ 1,000
<input type="checkbox"/> Member	\$ 500
<input type="checkbox"/> Individual	\$ 250

BRFA's Muscles *(continued from page 5)*

- Mandating the Governor to budget \$ 700,000 a year for employment standards services
- Mandating the Governor to budget \$88,000 a year for academic health center cancer grants
- Mandating a study of how academic health centers impact Health Choice
- Mandating a study of teacher's pensions
- Adding language to change reporting requirements for major Information Technology (IT) projects
- Adding language to change Legislative Policy Committee approval of budget amendments
- Accounting for bond sale proceeds
- Increasing Lottery agents' commissions
- Adding language setting forth the General Assembly's intent for future year state property tax rates
- Adding language setting forth the General Assembly's intent for future repeal of the Maryland mined coal tax credit.

The first BRFA was passed during the 1991 special session to help counteract a sharp drop in state revenues during a recession. Despite altering many different programs in many articles of the state code, the Attorney General advised that the bill did not violate the single subject rule of the state constitution. Nevertheless, it is profoundly undemocratic, since there is little ability for the public to track, influence, or alter such a large and complex bill under the tight timeframe at the end of the session. The Governor and the General Assembly should stop using BRFAs, or at least restrict the provisions of the bill to items essential to balance the state budget. *

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