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Legislative District 21
Prince George's and Anne Arundel Counties

Health and Government
Operations Committee

Subcommittees
Public Health and Long Term Care
Government Operations



The Maryland House of Delegates
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Dear Constituent:

As you know, the Maryland General Assembly on November 19 concluded a special legislative session to close a \$1.5 billion structural deficit that will show up on the state's budget books beginning next July.

The single most difficult issue for me was a referendum bill for voters to decide whether to amend Maryland's constitution to legalize slot machine gambling. I have consistently opposed slot machine gambling because it is not a socially responsible way for government to raise revenue.

While I briefly considered supporting the referendum bill, I concluded that I could not dodge my responsibility as a legislator. I believe voters sent me to Annapolis to make hard decisions and that if an argument can be made to put the slots issue to referendum, then similar arguments could be made for the most divisive issues with which we must grapple, including abortion, the death penalty, and gun laws, among others. This form of direct democracy has its place, but I do not believe it should be used to decide something with such enormous and long-term social and economic consequences.

Nevertheless, the referendum bill passed. On the bright side, the House passed an amendment to ensure fair impact fees for jurisdictions that would be affected by slot machine gambling at Laurel Park. Specifically, Anne Arundel County would receive 70% of the local impact grant (established as 5.5% of proceeds), the City of Laurel would get 12%, and Prince George's County would receive 5%. No impact fee money was provided for Prince George's in previous bills.

On another vital economic issue for District 21, I worked closely with my Prince George's County colleagues to secure \$50 million in state aid for the county hospital system. That aid would be paid out over five years, but it is contingent upon the state and county agreeing to a long-term plan to revitalize and recapitalize a system that has been plagued with serious financial problems for at least 15 years.

Other actions we took included:

- The legislature enacted significant tax reform, including an increase in the state sales tax to 6%, an increase in the income tax for high earners to a maximum of 5.5% of income over \$500K/year, and a \$1 per pack increase in the state tax on cigarettes. We also closed loopholes in the corporate income tax, and raised the corporate tax rate to 8.25%, which remains lower than the corresponding tax rates for Pennsylvania, the District of Columbia, New Jersey, West Virginia, and Delaware. We also raised various fees, including the automobile titling fee.
- The legislature dedicated one-half of the sales tax increase and the entire increase in the titling fee to transportation projects statewide. This is expected to generate \$400 million for improvements in our roads and mass transit systems, including expanded MARC train service and additional routes for the Connect-A-Ride bus service in the Laurel area.
- The legislature also passed the Working Families and Small Business Coverage Acts, which will provide health care coverage to more than 100,000 uninsured who earn less than \$23,000 per year and extends subsidies to small businesses to help offset the cost of providing health insurance to employees.
- The legislature created a Higher Education Investment Fund, the first dedicated funding source in state history designed to improve university and community college facilities and help keep the cost of college affordable.
- With the establishment of the Chesapeake Bay 2010 Trust Fund, the legislature provided a dedicated funding stream to expedite pollution control in the Chesapeake and Atlantic Coastal Bays and the Patuxent River.

Full details of the Special Session legislative package are available on-line at:

http://mlis.state.md.us/2007s1/Wrap_up/07-S1.pdf

I realize that you might not agree with every action we took, but please understand that we faced many tough votes. We did our best to address the deficit by raising revenues and making difficult program cuts necessary to meet our budgetary obligations.

It is an honor to serve you,

A handwritten signature in cursive script, appearing to read "Jorline".