

# USGO MARYLAND LEGISLATIVE REPORT



7/13/2015

Budget Disputes Between the Newly Elected Republican Governor and Democratic Legislature Grab Headlines While Legislators Consider Legislation On, Customer Protections, Renewables and Other Utility Matters

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# 2015 USGO MD General Assembly

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# 2015 USGO MD General Assembly

## EXECUTIVE SUMMARY

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The 2015 Maryland General Assembly session concluded at midnight on the evening of April 13, 2015. During this session, the legislature considered 2,234 bills. While the headlines focused on budget disputes between the newly elected Republican Governor and the overwhelmingly Democratic legislature, the General Assembly considered legislation on transmission development, distributed generation, vegetation management and other utility regulation topics.

Due to retirements and election outcomes, the legislative committees that hear utility issues were populated by legislators who were unfamiliar with utility issues. Nevertheless, the utilities enjoyed a successful session and saw positive outcomes on their priority bills. For example, the utilities worked closely with lawmakers to pass legislation that was introduced in response to a denied distributed generation interconnection request in the in one utility service territory. The circuit in question was closed to new distributed generation, but the solar developer installed a generation system without waiting for the utility to process the application. The utilities helped to pass legislation that clarified that a solar installer may only install distributed solar on a customer's property after the installer has received affirmative permission from the appropriate electric utility to interconnect with the electric grid.

Throughout the session, the utilities collaborated with legislators on several legislative initiatives. For example, in compliance with FERC regulations, the utilities developed amendments that helped to pass legislation to allow non-electric companies to construct transmission lines on a competitive basis, while protecting an electric company's right to build transmission lines in its own service territory. In addition, the utilities worked with the PSC to establish a workgroup to study the creation of a "community solar" program where customers could coordinate to construct solar generation and share the output.

While the utilities worked cooperatively with legislators on several priority issues, there were a number of harmful policies proposed that were inconsistent with utility interests. Accordingly, the utilities successfully defeated harmful proposals, including several anti-smart meter bills and legislation targeting utility vegetation management, energy efficiency programs and security deposits.

# Priority Legislation

## KEY LEGISLATIVE BILLS AND OUTCOMES

### **Passed Legislation**

SB 353: Electric Companies - Installation of Solar Electric Generating Facility - New Interconnection Agreement

**Outcome:** **Passed with Amendments**

This legislation was introduced as a result of a denied distributed generation interconnection request in the Delmarva Power service territory. The circuit in question was closed to new distributed generation, but the solar developer installed a system without waiting for Delmarva Power to process the application. **SB 353** was intended to clarify that a solar installer may only execute a contract to install distributed solar on a customer's property after the installer has received affirmative permission from the appropriate electric utility to interconnect with the electric grid. While the utilities supported this intent, as introduced, the bill would have required utilities to essentially "pre-approve" interconnection requests.

#### **Utility Efforts and Analysis:**

The solar developers supported **SB 353** but proposed amendments that would have required utilities to process interconnection applications in as few as 5 days. The utilities worked with the sponsor to draft successful amendments to prevent the installation of a solar generating facility before the interconnection application is approved under the timeframe established in Maryland's regulations. Governor Hogan signed **SB 353** on May 12, 2015 and it goes into effect on October 1, 2015.

HB 541: Utility Companies - Removal of Facility Equipment From Utility Poles

**Outcome:** **Passed with Amendments**

As introduced, this legislation would have established a specific timeframe for electric companies and telephone companies to coordinate the removal of equipment from their legacy poles and remove legacy poles when new poles are installed. The legislation would have authorized the Maryland Public Service Commission (PSC) to take corrective action against an electric company or a telephone company that failed to comply with the bill. The authorized corrective action would have included civil penalties of up to \$250 per violation, per day.

#### **Utility Efforts and Analysis:**

During the 2013 session, Maryland's utilities defeated similar legislation by voluntarily entering into an agreement with their largest attachers. Unfortunately, some parties uphold their responsibilities under the agreements. Accordingly, the utilities supported amendments to **HB 541** to require the PSC to convene interested parties to discuss how best to address double poles in the state. **HB 541** passed with these study amendments, was signed by Governor Hogan on May 12, 2015 and became effective June 1, 2015.

SB 460/ HB 469: Public Utilities - Electricity - Construction of Overhead Transmission Lines

**Outcome:** **Passed with Amendments**

This bill removes a statutory restriction that provided that only an electric company may obtain a certificate of public convenience and necessity (CPCN) to begin construction of an overhead transmission line that is designed to carry voltage in excess of 69,000 volts.

**Utility Efforts and Analysis:**

A recent FERC regulation required the Maryland General Assembly to remove the statutory hurdle for non-electric companies to compete for the opportunity to construct transmission lines, so some version of this legislation was destined to pass. The utilities offered successful amendments to protect Maryland customers by conditioning the CPCN on a developer's ongoing compliance with the regulations and requirements of several regional and federal authorities. This legislation passed with the utility amendments. Governor Hogan signed the legislation on May 12, 2015, and it goes into effect on October 1, 2015.

SB 398/ SB 481/ HB 1087: Electricity - Community Solar Energy Generating System Program

**Outcome: Passed with Amendments**

This bill requires the Public Service Commission (PSC) to convene a stakeholder workgroup to study and make recommendations on the establishment of a program to allow residential customers who are unable to install solar panels on their own property to participate in community solar projects or virtual net energy metering through which a customer may subscribe to the output of the solar installation and obtain the benefits of solar generation.

**Utility Efforts and Analysis:**

The utilities advocated for amendments to substantially recraft this legislation. The utility amendments limit the: 1) size of eligible community solar projects; 2) scope of the state-wide program; and 3) program to a three year pilot. The PSC is required to study the results of the pilot program and report its findings to the Maryland General Assembly. This legislation passed with utility amendments. Governor Hogan signed the bill on May 12, 2015, and it became effective on July 1, 2015.

**Failed Legislation**

HB 933: Energy Efficiency and Demand Management Programs and Services – Repeal

**Outcome: Failed**

This bill would have repealed the Maryland law that requires the Public Service Commission to authorize gas companies and electric companies to establish and administer the energy efficiency programs known as EmPower Maryland.

SB 826: Energy Efficiency Programs - Transferring Development to the Maryland Energy Administration

**Outcome: Failed**

This bill would have transferred the responsibility to administer the EmPower Maryland programs from utilities to the Maryland Energy Administration. To finance the programs, **SB 826** would have required the PSC to establish a customer charge for the utilities to collect on the Maryland Energy Administration's behalf.

SB 382: Electric Companies - Customer Choice of Electricity Supplier - Smart Meters

**Outcome: Failed**

This legislation would have required the PSC to adopt regulations or issue orders to require an electric company to process a transaction for enrollment with an electricity supplier within three business days.

SB 9/ HB 516: Gas and Electricity - Smart Meters - Customer Rights and Required Reports

**Outcome: Failed**

This legislation would have required an electric, gas, or gas and electric company to give prior written notice of the deployment of “smart meters” to each customer in the affected portion of its service territory. A utility company would have been prohibited from imposing any additional fee or charge on a utility customer who refuses installation of a smart meter or requests removal of a smart meter under the bill. The bill contains two related reporting requirements for the PSC and the Department of Health and Mental Hygiene (DHMH).

HB 508: Gas and Electricity - Analog Meters - Purchase and Installation

**Outcome: Failed**

This bill would have required the PSC to authorize a customer of a utility to purchase and install his own analog meter provided it complied with specified standards. It would have also required the utility to install or allow the installation of the customer’s meter and prohibit the requirement of any additional controls.

SB 747/ HB 611: Public Utilities - Electric Companies - Vegetation Management

**Outcome: Failed**

This bill would have required the PSC to: (1) require that an electric company’s vegetation management program comply with the International Society of Arboriculture’s (ISA) Best Management Practices for Utility Pruning of Trees, and (2) prohibit an electric company from removing a tree on private property unless the tree is a “hazardous tree” and the property owner has consented to removal of the tree.

HB 376: Electric Companies - Vegetation Management - Local Law, Rule, or Regulation

**Outcome: Failed**

This legislation would have repealed a statutory prohibition for a county or municipal municipality to interfere with, or materially increase costs of the work of an electric company to comply with the PSC’s vegetation management standards. This bill would have allowed counties and municipalities to adopt or enforce local rules that conflict with the vegetation management regulations established by the PSC.

HB 893: Electric Companies - Customers - Security Deposits

**Outcome: Failed**

This bill would have regulated the conditions under which a security deposit may be required by an electric company. It would have required that an electric company provide an existing customer 30 days' notice prior to imposing a security deposit.

HB 1067: Public Service Commission - Membership - Selection and Term

**Outcome: Failed**

This bill would have required members of the PSC to be selected by statewide election.

## Priority Bills Master List

Bill #	Sponsor	Title	Comm.	Hearing Date	CF
<b>Passed Legislation</b>					
HB 469	Delegate Jameson	Public Utilities - Electricity - Construction of Overhead Transmission Lines	ECM	4/1/2015	SB 460
HB 541	Delegate Barkley	Utility Companies - Removal of Facility Equipment From Utility Poles	ECM	4/1/2015	
HB 1087	Delegate Clippinger	Electricity - Community Solar Energy Generating System Program	ECM	3/5/2015; 4/2/2015	SB 481
SB 353	Senator Hershey	Electric Companies - Installation of Solar Electric Generating Facility - New Interconnection Agreement	FIN	2/17/2015; 3/19/2015	
SB 398	Senator Pugh	Public Service Commission - Community Solar Projects or Virtual Net Energy Metering - Study	FIN	2/24/2015; 4/2/2015	
SB 460	Senator Feldman	Public Utilities - Electricity - Construction of Overhead Transmission Lines	FIN	3/3/2015	HB 469
<b>Failed Legislation</b>					
HB 376	Delegate Tarlau	Electric Companies - Vegetation Management - Local Law, Rule, or Regulation	ECM	2/19/2015	
HB 508	Delegate Glass	Gas and Electricity - Analog Meters - Purchase and Installation	ECM	3/26/2015	
HB 516	Delegate Glass	Gas and Electricity - Smart Meters - Customer Rights and Required Reports	ECM	3/26/2015	SB 9
HB 611	Delegate Miller, A.	Public Utilities - Electric Companies - Vegetation Management	ECM	3/5/2015	SB 747
HB 636	Delegate Stein	Renewable Energy Portfolio Standard - Thermal Energy	ECM	2/20/2015	SB 154
HB 885	Delegate Platt	Corporations - Political Expenditures - Stockholder Approval	W&M	3/11/2015	SB 153
HB 893	Delegate Washington, M.	Electric Companies- Customers- Security Deposits	ECM	3/12/2015	
HB 933	Delegate Parrott	Energy Efficiency and Demand Management Programs and Services-repeal	ECM	3/12/2015	
HB 995	Delegate Hixson	Lawn Care Pesticides - Child Care Centers, Schools, and Recreation Facilities - Prohibition	E&T	3/13/2015	
HB 1067	Delegate Glenn	Public Service Commision- Membership- Selection and Term	ECM	3/12/2015	
HB 1145	Delegate Frush	State Board of Tree Experts - Establishment	RUL		
SB 9	Senator McFadden	Gas and Electricity - Smart Meters - Customer Rights and Required Reports	FIN	2/17/2015	HB 516
SB 153	Senator Raskin	Corporations - Political Expenditures - Stockholder Approval	EHEA	2/19/2015	HB 885
SB 154	Senator Middleton	Renewable Energy Portfolio Standard - Thermal Energy	FIN	2/17/2015	HB 636
SB 382	Senator Hershey	Electric Companies - Customer Choice of Electricity Supplier - Smart Meters	FIN	2/17/2015	
SB 481	Senator Ramirez	Electricity - Community Solar Energy Generating System Program	FIN	3/3/2015	HB 1087
SB 747	Senator Feldman	Public Utilities - Electric Companies - Vegetation Management	FIN		HB 611

SB 826	Senator Astle	Energy Efficiency Programs - Transferring Development to the Maryland Energy Administration	FIN	3/17/2015	
SB 914	Senator Hershey	Electric Companies - Definition by Class	FIN	3/24/2015	
* When PHI chose to support a bill only with amendments, PHI's Position is listed as SWA -- Support with Amendments.					

## 2015 Maryland General Assembly House Bills of Interest

Bill Number	Sponsor	Title	Committee	Hearing Date	CF	Status
HB 35	Delegate Barkley	Public Service Commission – Hearing Examiners – Change of Job Title	Economic Matters; Finance	1/29/2015 3/31/2015	SB 11	Passed
HB 140	Delegate Davis	Public Service Commission - Restrictions After Service	Economic Matters; Finance	2/12/2015 3/31/2015	SB 54	Passed with Amendments
HB 249	Delegate W. Miller	Labor and Employment - Labor Organizations - Right to Work	Economic Matters	2/24/2015		Failed in Committee
HB 251	Delegate Afzali	Corporate Income Tax - Rate Reduction	Ways and Means	2/24/2015		Failed in Committee
HB323	Delegate Impallaria	Maryland Building Performance Standards-Energy Codes-Local Authority	Environment & Transportation; Finance	2/24/2015 3/31/2015	SB 262	Passed with Amendments
HB 336	Delegate Carr	Procurement - State Funds - Energy Efficient Outdoor Lighting Fixtures	Health and Government Operations	2/18/2015		Failed in Committee
HB 341	Delegate Davis	Underground Utility Damage Prevention - Connecting Buildings to Sewerage Systems - Detectable Wires	Economic Matters; Finance	2/19/2015 3/31/2015	SB 401	Passed with Amendments
<b>HB 376</b>	<b>Delegate Tarlau</b>	<b>Electric Companies - Vegetation Management - Local Law, Rule, or Regulation</b>	<b>Economic Matters</b>	<b>2/19/2015</b>		<b>Failed in Committee</b>
HB 377	Delegate Frick	Renewable Energy Portfolio Standard - Revisions (Maryland Clean Energy Advancement Act of 2015)	Economic Matters	2/20/2015	SB 373	Failed in Committee
HB 378	Delegate Young, K.	Renewable Energy Portfolio Standard - Qualifying Biomass	Economic Matters			Failed in Committee
HB 385	Delegate Clippinger	Labor and Employment - Maryland Healthy Working Families Act	Economic Matters	2/13/2015	SB 40	Failed in Committee
HB 416	Delegate Glass	Consumer Protection - Required Disclosure of Social Security Number - Prohibition	Economic Matters			Failed in Committee
HB 450	Delegate Carr	State Highway Administration - Bicycle and Pedestrian Priority Areas	Environment & Transportation Finance	2/26/2015 3/31/2015	SB 371	Passed with Amendments
HB 453	Delegate Tarlau	Public Utilities - Telephone Service - Battery for Backup Power	Economic Matters	2/19/2015		Failed in Committee

<b>HB 469</b>	<b>Delegate Jameson</b>	<b>Public Utilities - Electricity - Construction of Overhead Transmission Lines</b>	<b>Economic Matters; Finance</b>	<b>2/19/2015 4/1/2015</b>	<b>SB 460</b>	<b>Passed with Amendments</b>
HB 504	Delegate Impallaria	Telephone Communications Consumer Protection Act	Economic Matters	2/25/2015		Failed in Committee
<b>HB 508</b>	<b>Delegate Glass</b>	<b>Gas and Electricity - Analog Meters - Purchase and Installation</b>	<b>Economic Matters</b>	<b>3/26/2015</b>		<b>Failed in Committee</b>
HB 514	Delegate Stein	Maryland Commission on Climate Change	Environment and Transportation	2/25/2015	SB 258	Passed with Amendments
<b>HB 516</b>	<b>Delegate Glass</b>	<b>Gas and Electricity - Smart Meters - Customer Rights and Required Reports</b>	<b>Economic Matters</b>	<b>3/26/2015</b>	<b>SB 9</b>	<b>Failed in Committee</b>
<b>HB 541</b>	<b>Delegate Barkley</b>	<b>Utility Companies - Removal of Facility Equipment From Utility Poles</b>	<b>Economic Matters; Finance</b>	<b>3/5/2015 4/1/2015</b>		<b>Passed with Amendments</b>
<b>HB 611</b>	<b>Delegate Miller, A.</b>	<b>Public Utilities - Electric Companies - Vegetation Management</b>	<b>Economic Matters</b>	<b>3/5/2015</b>	<b>SB 747</b>	<b>Failed in Committee</b>
<b>HB 636</b>	<b>Delegate Stein</b>	<b>Renewable Energy Portfolio Standard - Thermal Energy</b>	<b>Economic Matters</b>	<b>2/20/2015</b>	<b>SB 154</b>	<b>Failed in Committee</b>
HB 656	Delegate Korman	Electricity - Energy Storage - Fuel Cells (Stored Energy and Power (StEP) Act)	Economic Matters	2/20/2015		Failed in Committee
HB 663	Delegate Healey	Business Relief and Tax Fairness Act of 2015	Ways and Means	3/6/2015	SB 179	Failed in Committee
HB 723	Delegate Washington, A.	Maryland-Mined Coal Tax Credit - Repeal	Ways and Means	2/25/2015		Failed in Committee
HB 775	Delegate Frick	Inaugural Committees - Required Disclosure of Donors and Donor Amounts	Ways and Means; Education, Health, and Environmental Affairs	2/25/2015 3/26/2015		Passed with Amendments
HB 808	Delegate Beidle	Vehicle Laws - Operation of Vehicle When Approaching a Service Vehicle	Environment and Transportation		SB 98	Failed in Committee
<b>HB 885</b>	<b>Delegate Platt</b>	<b>Corporations - Political Expenditures - Stockholder Approval</b>	<b>Ways and Means</b>	<b>3/11/2015</b>	<b>SB 153</b>	<b>Failed in Committee</b>
<b>HB 893</b>	<b>Delegate Washington M.</b>	<b>Electric Companies - Customers - Security Deposits</b>	<b>Economic Matters</b>	<b>3/12/2015</b>		<b>Failed in Committee</b>
HB 920	Delegate Lisanti	State Highway Administration - Relocation of Water and Sewer Lines - Payment of Costs	Environment & Transportation	3/12/2015		Failed in Committee
<b>HB 933</b>	<b>Delegate Parrott</b>	<b>Energy Efficiency and Demand Management Programs and Services - Repeal</b>	<b>Economic Matters</b>	<b>3/12/2015</b>		<b>Failed in Committee</b>

<b>HB 995</b>	<b>Delegate Hixson</b>	<b>Lawn Care Pesticides - Child Care Centers, Schools, and Recreation Facilities - Prohibition</b>	<b>Environment &amp; Transportation</b>	<b>3/13/2015</b>		<b>Failed in Committee</b>
HB 1066	Delegate Hornberger	Labor and Employment - Nondisclosure Agreements - Prohibition	Economic Matters	3/6/2015		Failed in Committee
<b>HB 1067</b>	<b>Delegate Glenn</b>	<b>Public Service Commission - Membership - Selection and Term</b>	<b>Economic Matters</b>	<b>3/12/2015</b>		<b>Failed in Committee</b>
HB 1082	Delegate McKay	Landlord and Tenant - Security Deposit - Use for Unpaid Water and Sewer Bills	Environment & Transportation		SB 745	Failed in Committee
<b>HB 1087</b>	<b>Delegate Clippinger</b>	<b>Electricity - Community Solar Energy Generating System Program</b>	<b>Economic Matters; Finance</b>	<b>3/5/2015 4/2/2015</b>	<b>SB 481</b>	<b>Passed</b>
<b>HB 1145</b>	<b>Delegate Frush</b>	<b>State Board of Tree Experts - Establishment</b>	<b>Rules and Executive Nomination</b>			<b>Failed in Committee</b>

## 2015 Maryland General Assembly Senate Bills of Interest

Bill Number	Sponsor	Title	Committee	Hearing Date	CF	Status
SB 9	Senator McFadden	Gas and Electricity - Smart Meters - Customer Rights and Required Reports	Finance	2/17/2015	HB 516	Failed in Committee
SB 11	Senator Astle	Public Service Commission - Hearing Examiners - Change of Job Title	Finance; Economic Matters	1/22/2015 1/30/2015	HB 35	Passed
SB 40	Senator Pugh	Labor and Employment - Maryland Healthy Working Families Act	Finance	2/3/2015	HB 385	Failed in Committee
SB 54	Senator Middleton	Public Service Commission - Restrictions After Service	Finance; Economic Matters	2/17/2015 2/27/2015	HB 140	Passed with Amendments
SB 98	Senator Norman	Vehicle Laws - Operation of Vehicle When Approaching a Service Vehicle	Judicial Proceedings	2/4/2015	HB 808	Failed in Committee
SB 153	Senator Raskin	Corporations - Political Expenditures - Stockholder Approval	Education, Health, and Environmental Affairs	2/19/2015	HB 885	Failed in Committee
SB 154	Senator Middleton	Renewable Energy Portfolio Standard - Thermal Energy	Finance	2/17/2015	HB 636	Failed in Committee
SB 179	Senator Pinsky	Business Relief and Tax Fairness Act of 2015	Budget & Taxation	2/11/2015	HB 663	Failed in Committee
SB 258	Senator Pinsky	Maryland Commission on Climate Change	Education, Health, and Environmental Affairs; Environment & Transportation	2/17/2015 3/25/2015	HB 514	Passed with Amendments
SB 262	Senator Jennings	Maryland Building Performance Standards - Energy Codes - Local Authority	Finance; Environment & Transportation	2/17/2015 3/24/2015	HB 323	Passed with Amendments
SB 305	Senator Eckardt	Crimes - Theft of Scrap Metal	Judicial Proceedings	2/26/2015		Failed in Committee

SB 353	Senator Hershey	Electric Companies - Installation of Solar Electric Generating Facility - New Interconnection Agreement	Finance; Economic Matters	2/17/2015 3/19/2015		Passed with Amendments
SB 371	Senator Rosapepe	State Highway Administration - Bicycle and Pedestrian Priority Areas	Finance; Environment & Transportation	3/18/2015 4/2/2015	HB 450	Passed with Amendments
SB 373	Senator Feldman	Renewable Energy Portfolio Standard - Revisions (Maryland Clean Energy Advancement Act of 2015)	Finance	2/24/2015	HB 377	Failed in Committee
SB 382	Senator Hershey	Electric Companies - Customer Choice of Electricity Supplier - Smart Meters	Finance	2/17/2015		Failed in Committee
SB 398	Senator Pugh	Public Service Commission - Community Solar Projects or Virtual Net Energy Metering - Study	Finance; Economic Matters	2/24/2015 4/2/2015		Passed with Amendments
SB 401	Senator Astle	Underground Utility Damage Prevention - Connecting Buildings to Sewerage Systems - Detectable Wires	Finance; Economic Matters	2/24/2015 3/9/2015	HB 341	Passed
SB 460	Senator Feldman	Public Utilities - Electricity - Construction of Overhead Transmission Lines	Finance; Economic Matters	3/3/2015 3/18/2015	HB 469	Passed
SB 481	Senator Ramirez	Electricity - Community Solar Energy Generating System Program	Finance	3/3/2015	HB 1087	Failed in Committee
SB 682	Senator Feldman	Electric Vehicles - Use of High Occupancy Vehicle (HOV) Lanes - Reciprocity With Virginia	Judicial Proceedings	2/24/2015		Failed in Committee
SB 714	Senator Feldman	Maryland Electric Vehicle Infrastructure Council - Reporting and Sunset Extension	Finance; Environment & Transportation	3/10/2015 3/26/2015		Passed with Amendments
SB 745	Senator Edwards	Landlord and Tenant - Security Deposit - Use for Unpaid Water and Sewer Bills	Judicial Proceedings	3/17/2015	HB 1082	Failed in Committee
SB 747	Senator Feldman	Public Utilities - Electric Companies - Vegetation Management	Finance		HB 611	Failed in Committee
SB 760	Senator Montgomery	Public Utilities - Renewable Energy Portfolio Standard - Combustion Source	Rules			Failed in Rules
SB 762	Senator Feldman	Real Property - Installation and Use of Electric Vehicle Recharging Equipment	Judicial Proceedings	3/19/2015		Failed in Committee
SB 826	Senator Astle	Energy Efficiency Programs - Transferring Development to the Maryland Energy Administration	Finance	3/17/2015		Failed in Committee
SB 899	Senator Waugh	Offshore Wind - Application for Proposed Project - Evaluation and Approval	Finance	3/26/2015		Failed in Committee

SB 903	Senator Rosapepe	State Board of Tree Experts - Establishment	Education, Health and Environmental Affairs	3/17/2015	HB 1145	Failed in Committee
<b>SB 914</b>	<b>Senator Hershey</b>	<b>Electric Companies - Definition by Class</b>	<b>Finance</b>	<b>3/24/2015</b>		<b>Failed in Committee</b>
SB 938	Senator Hershey	Public Service Commission - Certificate of Public Convenience and Necessity - Land-Based Wind Generating Stations in Kent County	Finance	4/7/2015		Failed in Committee

# **The State of Maryland Legislative Process (How a Bill Becomes Law)**

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## **In General**

The General Assembly consists of 47 Senators and 141 Delegates. The Senate of Maryland is presided over by the President of the Senate and currently is organized into four primary standing committees. The House of Delegates is presided over by the Speaker of the House and currently is organized into six primary standing committees. Note that the rules of the House and Senate specify additional standing committees, including the Senate Rules Committee and the House Rules and Executive Nominations Committee, to which bills occasionally are assigned.

Each bill introduced into the General Assembly must be sponsored by a member of the General Assembly and assigned to a standing committee. A bill sponsored by a Delegate is initially presented in the House of Delegates, and a bill sponsored by a Senator is initially presented in the Senate of Maryland. The place where a bill is initially presented is referred to as the bill's "house of origin."

## **House of Origin**

### **First Reading**

When the House or Senate convenes, the reading clerk reads the bill number, title, and committee assignment of each bill introduced into that day's proceedings. This is the first of three readings given the bill in the house of origin, as required by Article III, § 27 of the Maryland Constitution.

At this time, the officially introduced typed copy is printed by the legislative print shop. This printing of a bill is the first of several possible printings and is known by its technical name, the "first reading file bill" or "first reader."

### **Second Reading**

The next step in the passage of a bill is second reading and floor consideration. A first reading file bill is reported to the floor of the house of origin by the committee to which it was assigned. The report may be favorable,

unfavorable, or with no recommendation. If favorable, it may be with or without committee amendments. If there are committee amendments, they are presented and considered at this time. The members of the house of origin may vote that the committee amendments be adopted or rejected, either in whole or in part. Following action on the committee amendments, the bill and the committee amendments are open to amendment from individual members on the floor. When the floor amendments have been voted on and no more are offered, the bill is ordered printed for third reading. All of this activity, which may occur over the course of several days, comprises the second reading of the bill.

## **Committee Reprints**

On occasion, after a bill is assigned to a committee, the committee may propose extensive amendments to it and then want to see how the bill would appear with the amendments incorporated into it. In this case, the committee chair, with the approval of the presiding officer, orders the bill reprinted with the proposed committee amendments. These bills are identified by the words “Committee Reprint” printed at the top of the first page of the bill. Generally, committee reprints are prepared using a different color of paper to further distinguish them from other bills. With the exception of the operating and capital budget bills considered on second reading and committee reprints of House bills being considered in the House of Delegates, a “Committee Reprint” is for working purposes only and has no official status as a bill. Unless the Committee Reprint has official bill status, amendments may not be drafted to it.

## **Third Reading**

After a bill has been ordered printed for third reading, it is brought back to the Department of Legislative Services for the insertion of any adopted amendments and is reprinted. This printing, referred to as a “third reading file bill” or “third reader,” incorporates any amendments adopted by the house of origin. A “third reading file bill” will indicate, just below the sponsor and committee assignment information at the top of the bill, the committee and floor action taken on the bill. The bill is then returned to the house of origin on another “legislative” day, placed on the third reading calendar, and a vote is taken simply to pass or reject the bill. (Late in the session, the rules may be suspended to permit a third reading vote immediately after the second reading vote.) No amendments may be presented at this stage and, in order to pass, the bill must receive the affirmative vote of a majority (or three-fifths for an emergency measure or a proposed Constitutional amendment) of the elected membership. This vote constitutes the

third reading of the bill. If the bill passes on third reading, it is sent to the opposite house.

## **Bill As Printed for Third Reading**

On occasion, a bill that has been printed for third reading will be removed from the third reading calendar by the appropriate motion and placed on the second reading calendar so that additional amendments may be considered. The “third reading file bill” that had been printed for consideration on the third reading calendar is still the printing before the body. However, since the bill now has been removed from the third reading calendar, it cannot be referred to as the “third reading file bill.” Instead, it is given the technical name, the “bill as printed for third reading.” If the proposed amendments are adopted, the bill must be reprinted incorporating the adopted amendments, and again placed on the third reading calendar for a final vote. If the amendments are rejected, then the “bill as printed for third reading” again becomes the “third reading file bill” and is placed back on the third reading calendar. If the bill passes on third reading, it is sent to the opposite house.

## **Opposite House**

### **First Reading**

When the “third reading file bill” arrives in the opposite house, it receives three readings just as in the house of origin, again as required by the Maryland Constitution. However, on all of its readings in the opposite house, the bill considered is the “third reading file bill” which retains the bill number assigned to it in the house of origin. The “third reading file bill” is assigned to a standing committee in the opposite house by the presiding officer. The reading clerk then reads the bill number, title of the bill, and its committee assignment.

### **Second Reading**

When the “third reading file bill” has been considered by the committee to which it was assigned, it is placed on the second reading calendar and reported in the same manner as in the house of origin. Unlike the house of origin, the opposite house may amend the “third reading file bill” on both its second and third readings.

## **Third Reading**

When the committee amendments, if any, and the floor amendments, if any, have been considered, the “third reading file bill” with its amendments is placed on the third reading calendar and adopted or rejected as in the house of origin. As a rule, because of time limitations, there is no reprinting of the “third reading file bill” in the opposite house for the consideration of the members on the third reading vote. (Late in the session, the rules may be suspended to permit a third reading vote immediately after the second reading vote.)

If no amendments are adopted by the opposite house, the “third reading file bill,” after being passed in the opposite house, is sent to the Governor for approval or veto.

## **Concurrence Votes and Conference Committees**

If the opposite house adopts amendments to the “third reading file bill,” the bill must be returned to the house of origin for the sole purpose of permitting that house to accept or reject the amendments appended to the bill by the opposite house. If the house of origin refuses to accept or concur in the amendments of the opposite house and the opposite house refuses to recede from its insistence that the amendments be made, a conference committee composed of three members from each house may be appointed by the presiding officers. The conference committee meets and attempts to resolve the differences and reach a compromise. It makes recommendations concerning the adoption or rejection of amendments adopted in the opposite house, and may suggest further conference committee amendments necessary to make the bill acceptable to both houses. If the conference committee resolves the differences, it issues a conference committee report incorporating its recommendations. The conference committee report may not be amended by either house. If the conference committee report is adopted by both houses, the bill is passed, reprinted if necessary to incorporate any adopted conference committee amendments, and sent to the Governor. If a conference committee is not appointed, or if the report of the conference committee is not adopted, the bill fails.

## **Enrollment and Recall**

The bill sent to the Governor must reflect the amendments adopted by both the Senate and the House of Delegates. Therefore, a printing of the bill is prepared that incorporates the amendments attached by both houses. This printing of the bill is known as the “enrolled bill.” On rare occasions, a bill passed by the General Assembly and sent to the Governor will be recalled from the Governor’s desk in

order to consider further amendments. In these instances, if the “enrolled bill” is recalled and amendments to it are adopted, it is reprinted to incorporate these amendments and becomes known as the “re-enrolled bill.” The “re-enrolled bill” is then sent to the Governor.

## Special Sessions

Under Article II, § 16 of the Maryland Constitution, the Governor may convene a special session of the General Assembly “on extraordinary occasions.” A special session convened by proclamation of the Governor is limited to 30 days and cannot be extended (Maryland Constitution, Article III, § 15(1)). A proclamation by the Governor of a special session for a particular reason cannot limit the subject matter of legislation introduced at the special session, and bills on any subject may be requested, introduced, and considered by the General Assembly. However, recent practice has been to refer any legislation not related to the reason for the special session to the rules committee of each house of the General Assembly where the legislation typically has died.

Since committee involvement in the enactment of legislation is not mandated by the Maryland Constitution, a standing committee may consider and approve legislation referred to the committee either before or after a special session begins.

Special sessions that have been convened in recent years, and the primary topics of each special session, are listed below:

2004 .....	Medical Professional Liability Insurance; Malpractice Actions
2006.....	Sexual Offenders; Electric Industry Restructuring
2007...	Tax Reform; Gaming; Transportation Funding; Health Care Coverage
2011.....	Congressional Redistricting
2012 – First Special Session .....	Budget Reconciliation; Taxation
2012 – Second Special Session .....	Gaming Expansion

For a discussion of effective dates for bills introduced during a special session, see p. 138, “Effective Dates for Special Session Legislation.”

# LEGISLATIVE PROCESS

