



2018 Legislative Session Begins

Dear Friend,

January 10th marked the opening day of the 2018 Legislative Session and I am proud to return to Annapolis to represent you in the Maryland State Senate.

I continue to serve on the Senate Finance Committee and chair its Health Subcommittee - a challenging yet exciting assignment as we grapple to find solutions to ensure that Marylanders have access to affordable health care, stabilize health insurance premiums, address escalating prescription drug prices and the growing scourge of opioid addition. My knowledge base in the health care policy arena has expanded over the past year and, as a result, I was appointed the Senate Chair of the newly created Maryland Health Insurance Coverage Protection Commission. The Commission is charged with monitoring changes made at the Federal level to the Affordable Care Act, Medicaid, the Children's Health Insurance Program, Medicare and Maryland's unique All-Payer Model, assessing the impact of any such changes and providing recommendations to mitigate any adverse consequences to Marylanders.

Please take a moment to review other early Session highlights below and, as always, do not hesitate to contact me with your comments, questions or concerns at brian.feldman@senate.state.md.us.

Governor Hogan's Fiscal Year 2019 Budget Proposal

On January 17th, Governor Hogan proposed a \$44.5 billion Budget for Fiscal Year 2019. On the one hand, the proposed Budget invests \$6.5 billion in Maryland's K-12 public schools and fully funds the Chesapeake and Atlantic Coastal Bays Trust Fund. On the other hand, the Governor's Budget leaves a \$75 million gap in the structural deficit despite making long-term funding cuts to programs like Medicaid and The Supplemental Nutritional Assistance Program.

Taxes

As both a Tax Lawyer and a CPA, I have always taken a keen interest in tax policy. In December, Congress passed the Federal Tax Cuts and Jobs Act. While a majority of Marylanders will pay less in Federal taxes, a new report issued by the State Comptroller on January 25th indicates that nearly 3 in 10 Marylanders will owe more in State and local taxes as a consequence of the Federal tax plan. You can read the Comptroller's Report [here](#).

In response, the Governor and the General Assembly are working on legislative proposals designed to protect Maryland taxpayers by mitigating the adverse impacts of the new Federal tax law. One plan will restore the longstanding personal exemptions - taken by 92% of Marylanders - that were eliminated by Congress, thereby returning approximately \$680 million to taxpayers' pockets. Other proposals being considered address aspects of the Federal tax plan which limit the deductibility of State and local taxes and provisions which impact Maryland's estate tax laws.

The Maryland Metro Funding Act

Safe, reliable public transit is critical for Montgomery County residents, especially for commuters and members of the business community. The DC area Metro system is the only rail system of its kind in the Nation that does not have a predictable, dedicated funding stream, making it difficult to make long-term planning and capital investment decisions. Increased frequency of delays, a recent derailment and a deterioration in the overall reliability of the system has been the result. The creation of a permanent, dedicated funding source from Maryland, Virginia and DC is long overdue.

Therefore, I am sponsoring **The Maryland Metro Funding Act** which redirects a dedicated funding stream from the Transportation Trust Fund to a Maryland Metro Account. The creation of such an account can be used to issue long-term bonds to fund crucial capital investment needs. **The proposal involves no new Maryland taxes** and is contingent upon Virginia and DC establishing their own dedicated capital funding source at the same financial level. Given that Montgomery County is a

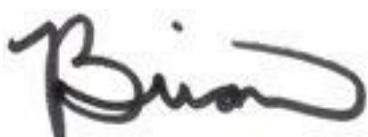
finalist for Amazon's new headquarters and that one of Amazon's selection criteria is safe and reliable public transportation, it is important that we make a funding commitment to Metro this Session. I look forward to working with Governor Hogan and our counterparts in Virginia and DC to enact this legislation.

Amazon's New Headquarters: HQ2

If Montgomery County is chosen as the location for Amazon's new headquarters, called HQ2, it would be a huge economic boon for the County. Approximately 50,000 new full-time jobs would be generated and it could bring a \$5 billion direct investment in construction and operations. I am collaborating with the Governor, my fellow State legislators and County officials to make sure that we collectively put forward the strongest bid possible to entice Amazon to Montgomery County. Governor Hogan has proposed a \$5 billion package of tax incentives and transportation upgrades. The **Promoting ext-Raordinary Innovation in Maryland's Economy (PRIME) Act of 2018** is one aspect of this effort and I am a co-sponsor of the legislation.

These are just a few topics that I am working on in Annapolis this Session. As always, I value your input and if you have any questions or feedback, please do not hesitate to contact me at brian.feldman@senate.state.md.us or call my office at [301-858-3169](tel:301-858-3169).

Sincerely,



By Authority: Citizens for Brian Feldman, Elaine Garson, Treasurer