



**Parliamentarian, Maryland House of Delegates**  
**Member, Economic Matters Committee**  
**House Chair, Joint Information Technology and Biotechnology Committee**  
**Chair, House Banking, Economic Development, Science and Technology Subcommittee**

Dear Friend,

January 9th marked the opening day of the 431st Session of the Maryland General Assembly. After five years dealing with difficult national economic conditions and corresponding budgetary constraints, the economic outlook is more positive this year. While keeping a watchful eye on our fiscal health, I will continue to promote our core priorities: job creation and retention, maintaining our #1 national ranking in K-12 public education, creating economic opportunities for our state's emerging technology sector and protecting our environment.

Please take a moment to review the highlights listed below and, as always, do not hesitate to contact me with your comments, questions or concerns at [Brian.Feldman@house.state.md.us](mailto:Brian.Feldman@house.state.md.us).

### **Maryland Economy**

New data just released shows that Maryland continues to recover from the national economic downturn. Over the past year, 30,300 new jobs were created in Maryland. Last month alone, 7,700 jobs were established in Maryland's private sector – the best December for job growth since 1990. 80% of the jobs lost during the recession have been recovered and our unemployment rate has fallen to 6.6%, which is 15% below the national rate.

Maryland continues to retain its valued triple-A bond rating, one of only nine states in the nation to possess such a rating, an endorsement from Wall Street that Maryland is effectively managing its finances.

## **Governor O'Malley Proposes Fiscal Year 2014 Budget**

### **Budget Overview**

Unlike the federal government, the Maryland constitution requires the state to pass a balanced budget each year. 83 cents of every general fund dollar in our proposed state budget goes to education, health and public safety, thus, reducing our long-term structural budget deficit over the past several years has been a real challenge. Last week, the governor introduced a \$37.4 billion budget for FY 2014.

The governor's plan proposes a modest increase in spending from the budget enacted for FY 2013 and would leave an estimated \$236 million surplus. The governor's plan includes \$325 million in spending

cuts, increases the rainy day fund to \$921 million, and reduces the structural deficit by \$318 million, making the elimination of the state's long-term structural deficit finally within reach.

## **Education**

Despite the budgetary constraints, investing in our children's educational needs continues to be a high priority because a highly educated workforce is essential to Maryland's future economic prosperity.

For the fifth consecutive year, *Education Week*, the nation's leading education newspaper, ranked Maryland #1 in the United States in K-12 public education. *Education Week's* report is compiled from detailed data and analysis of the Editorial Projects in the Education Research Center. This recognition is the direct result of the fact that the state doubled its investment in public education over the last decade. This year's proposed budget includes the largest investment ever in K-12 public education. Under the governor's proposed budget, Montgomery County is slated to receive \$608 million in direct state aid for K-12 education, a \$13.4 million (2.3%) increase over the previous year. In addition, we will be making increased capital budget investments for public school construction and renovations as well as increased funding for school security.

Our dedication to keeping college tuition affordable for all Marylanders is also reaping dividends. Over the past five years, tuition at our public institutions increased by only 2%, one of the smallest increases in the entire nation (29% increase in VA; 14% in PA over the same time frame). Maryland universities went from having the 6th highest tuition in 2007 to the 27th highest today. The trend will continue this year as we plan to cap tuition increases at only 3%.

## **Expanding Access to Health Care**

Maryland continues to strive to extend health care to the state's most vulnerable population and ensure that Marylanders in need have access to the most necessary services and resources.

With the implementation of the Affordable Care Act, 1.1 million Marylanders (108,000 new enrollees) will have health insurance. The infusion of new federal dollars and new investments in the Maryland's Health Insurance Exchange will help provide access to health care for adults and children in Maryland who would otherwise go without insurance.

## **My Areas of Focus This Session**

### **Promoting our Biotech Sector**

I continue to serve as the chair of the Banking, Economic Development, Science and Technology subcommittee, as well as the house chair of the Joint Information Technology and Biotechnology Committee. A major goal of these committees is to increase knowledge and awareness for our technology sector and enact policies which promote information technology and biotechnology in the state. Montgomery County is home to over 200 biotech businesses, a significant growth area for Montgomery County and our entire state economy. More than 11,000 employees, representing 65% of Maryland bioscience workforce, work along the I-270 Technology Corridor. The proposed FY 2014 budget includes an increase of \$2 million to the current Biotech Tax Credit (a program I helped create), raising the total to

\$10 million, a clear reflection of the success of this program. I will be introducing other measures this session designed to promote the growth of this sector.

## **Transportation**

The Washington Metropolitan area has earned the dubious distinction of having the worst traffic in the nation. If we want to be able to attract business, create jobs, build an innovation economy and maintain a high quality of life, it is imperative that the state develop a comprehensive plan that will produce sustainable state revenues dedicated to investing and modernizing our transportation infrastructure.

In an attempt to break the logjam on this issue and come up with new, creative solutions, I have introduced a constitutional amendment entitled **End the Gridlock** which authorizes the General Assembly to place specific transportation programs and related revenue sources for such programs on a referendum for approval by Maryland voters. The proposal also provides strong protections for the Transportation Trust Fund to ensure that any revenues shall only be used for transportation projects and cannot be diverted for other purposes. I will also continue to work diligently with my colleagues to find and identify additional solutions to our transportation funding needs.

## **Environmental Protection/Wind Power**

This week, Governor O'Malley introduced the Maryland Offshore Wind Energy Act of 2013. As a co-sponsor of the bill, I will work in my committee, Economic Matters, to bring this bill forward to the full House for passage.

Identical in all substantive respects to the bill that overwhelmingly passed the House of Delegates last year but failed in the Senate; this measure will create a framework that will support a major offshore wind project. Specifically, the act would create a mechanism to incentivize the development of a major 200 megawatt offshore wind facility which would create manufacturing and construction jobs for five years and additional jobs for ongoing operations and maintenance jobs thereafter. This act also proposes an offshore wind renewable energy credit which would allow companies to earn certificates for using a percentage of offshore wind. Additional projects, both in Maryland and in the region, could lead to a significant new sustainable and green industry in Maryland.

The legislature has an ambitious agenda for the 2013 Session and I look forward to keeping you abreast of developments from Annapolis by sending you regular updates. I also want to make you aware that the Maryland General Assembly has launched a new website, found [here](#). Through this website, it will be easier to track specific bills and listen to the committee hearings as well as the proceedings of the House and Senate sessions.

As always, I value your input and if you have any questions or comments, please do not hesitate to contact me at [Brian.Feldman@house.state.md.us](mailto:Brian.Feldman@house.state.md.us) or call me at [301-858-3186](tel:301-858-3186).

Sincerely,

