



Memorial for slain officer

Headstone, bench push city's cost past \$50K. **15A**

O'Malley makes case

The governor tells local officials that more money is needed for transportation. **3A**

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Exelon-Constellation hearing: : DAY 2



MAXIMILIAN FRANZ

Christopher Crane (left), chief operating officer of Exelon Corp., and Constellation Energy Group CEO Mayo A. Shattuck III confer during Tuesday's Public Service Commission hearing. Story, 3A.

Disabled win in top court

Part-time residents entitled to services while living here, Court of Appeals says

By **STEVE LASH**
Steve.Lash@TheDailyRecord.com

Megan Cathey, 33, spends two weeks a month at her father's home in Sykesville and a little more than that with her mother in New Jersey.

In the past, that's meant Cathey, a developmentally disabled adult, was not considered a Maryland resident; and that, in turn, meant she was denied benefits for services such as counseling, day care and vocational training while she was here.

All that changed last week, when the state's highest court held that officials were reading the term "resident" too narrowly when deciding eligibility for benefits.

"[W]e live in a mobile society, one in which divorce rates and parental separations are high, and persons readily move across state lines for jobs or social reasons," Judge Sally D. Adkins wrote for the unanimous **Court of Appeals**.

See **DISABILITIES 9A**

Harbor sued over film

Bank, 3 employees accused of fraud over unpaid \$2.5M loan

By **BEN MOOK**
Ben.Mook@TheDailyRecord.com

The **Harbor Bank of Maryland** and three of its employees have been named in a federal lawsuit on allegations of fraud and negligence over an unpaid \$2.5 million loan to make a sports movie starring Martin Lawrence.

According to the lawsuit filed Monday in **U.S. District Court** in Baltimore, Harbor Bank and three employees

lied about having \$13 million in two escrow accounts. That money would have been used to pay back a short-term loan that would have gotten the film project, tentatively titled "Season Tickets" off of the ground.

"In reality, there were no escrow accounts at Harbor although Harbor made repeated misrepresentations affirming their existence," the complaint reads.

The lawsuit was filed on

behalf of Santa Monica, Calif.-based Blue Rider Finance Inc., which specializes in short-term "bridge loans" for the film industry. Bridge loans are usually used by movie producers to get the money to sign talent, which then lets them shop the project with a star, or stars, attached to secure the bulk of the financing. Blue Rider has provided financing for more than 100

See **HARBOR 10A**



SUBMITTED PHOTO

Megan Cathey spends nearly half her time with her father, Joe Cathey, at his home in Sykesville.

IN THIS ISSUE

Activists to meet with BDC's Brodie

At the meeting on Monday, the group will air complaints, including a lack of transparency by the city's development arm.

5A

Tribune bankruptcy exit plan hits snag

After its plan to exit bankruptcy was rejected by a judge, Tribune Co. says it will file a new proposal.

13A



MORE LEGAL COVERAGE

BEGINS ON PAGE 15A
Large mortgage lender accused of fraud

Houston-based Allied Home Mortgage Corp. and two of its executives are the targets of the Justice Department's civil lawsuit.

16A

Cabinet official defends growth plan

Planning chief says blueprint going to O'Malley

By **NICHOLAS SOHR**
Nicholas.Sohr@TheDailyRecord.com

CAMBRIDGE — Maryland's planning secretary stood by the state's comprehensive growth plan Tuesday and said his department will move forward with it despite objections and calls for delay from opponents.

"We need to grow smarter than most other states in the

country," said Secretary Richard E. Hall after referencing Maryland's population density, the fifth-highest in the nation. "That's why the state does more than other states."

Speaking at the **Maryland Municipal League** conference here at the **Hyatt Regency Chesapeake Bay Golf Resort, Spa and Marina**, Hall said the plan is not "being forced down the throats" of local governments.

But opponents have derided **Plan Maryland** as state bureaucrats overstepping their bounds to pre-empt county and

city zoning authority by seeking to limit sprawl and concentrate population growth in already-developed areas.

Ed Braddy, executive director of the **American Dream Coalition**, a Gainesville, Fla.-based advocacy group for "freedom, mobility and affordable homeownership," criticized the plan at a forum here Monday.

"It is unrepresentative of the people," he said. "It uses inaccurate and skewed data, and it does not recognize trade-offs. It will lead to a diminished

See **MUNICIPAL 13A**

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Disabilities >> Father can recoup money spent to obtain services for daughter

Continued from 1A

Excluding coverage for people like Cathey "would create impediments to [their] social and economic welfare" the court held. That would work against the Maryland Developmental Disabilities Law and regulations, which should be interpreted "liberally" to ensure assistance is provided, Adkins wrote.

The decision — issued less than seven weeks after the case was argued Sept. 8 — is a victory for Joe Cathey, who had waged a five-year legal battle with the state to provide Developmental Disability Administration services for his daughter, who has been diagnosed with mental retardation, neurological impairment and bipolar disorder.

"This is why people become lawyers," said attorney Andrew H. Baida, who argued the Catheys' case before the high court. "If you are developmentally disabled and you live in Maryland, it doesn't matter for how long. You are qualified for services."

Assistant Maryland Attorney General Mark J. Davis, who represented the Department of Health and Mental Hygiene and its DDA division, said the state had relied on the Court of Appeals' own precedent in denying services to Megan based on her primary residence being in New Jersey.

"The court has decided to make new law and the DDA will comply with the court's decision," Davis said.

Joe Cathey, divorced from Megan's mother since 1990, has had joint legal

WHAT THE COURT HELD

Case: *Cathey v. Board of Review, Dept. of Health and Mental Hygiene*, CA No. 12 Sept. Term 2011. Reported. Opinion by Adkins, J. Argued Sept. 8, 2011. Filed Oct. 25, 2011.

Issue: Is a developmentally disabled adult entitled to Maryland-funded disability services if she lives only two weeks of every month in the state?

Holding: Yes: For the benefits at issue, it is possible for a developmentally disabled individual to have multiple residences and obtain benefits accordingly.

Counsel: Andrew H. Baida for petitioner; Mark J. Davis for respondent.

RecordFax # 11-1025-28 (19 pages).

and residential custody since Feb. 25, 2006, when a New Jersey court approved a custody order. That order alternated custody between the parents every two weeks.

When she is in New Jersey with her mother, Megan Cathey has received services paid for by that state. But when she is in Maryland, Joe Cathey must pay for her to participate in a day program at The Arc Carroll County, according to the high court's opinion.

Joe Cathey's application for DDA services was rejected in November 2006. Since then, an administrative law judge, the Secretary of the Department of Health and Mental Hygiene, the department's Board of Review and the

Baltimore City Circuit Court have all upheld the determination that Megan Cathey did not meet Maryland's residency requirement.

The high court reversed that unbroken line of decisions last week, saying a person need not be limited to one state of residency for purposes of receiving Maryland disability services.

"The concept of multiple residences is consistent with Maryland law, and this principle can address the increasingly complex nature of joint custody and related arrangements," Adkins wrote. "For the DDA benefits at issue, it is possible for a developmentally disabled individual to have multiple residences and obtain benefits accordingly."

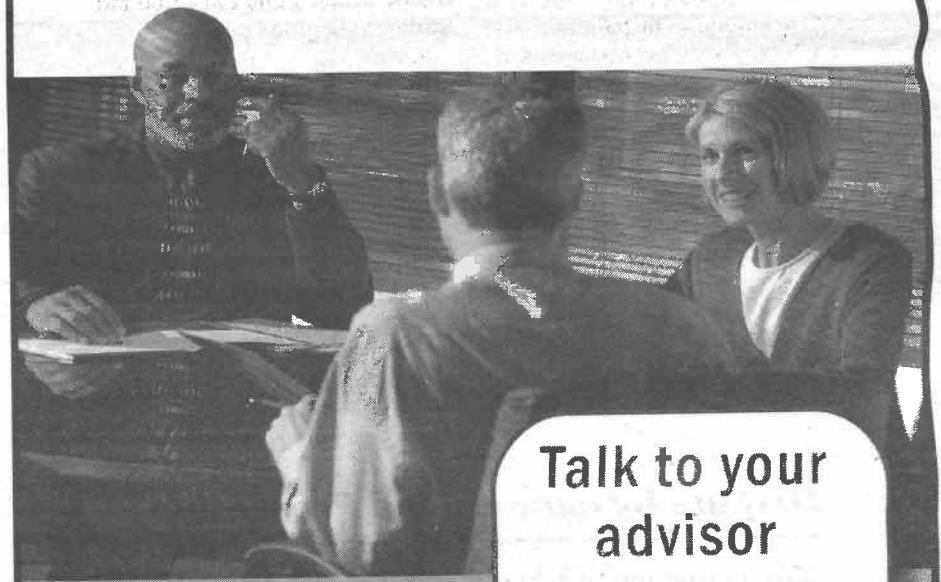
The court also found that Joe Cathey is entitled to be reimbursed for the disability services he has paid for in Maryland since Feb. 25, 2006, when his joint legal and residential custody arrangement started.

Baida, a partner at Rosenberg|Martin|Greenberg LLP in Baltimore, said the amount has yet to be determined.

The Maryland Disability Law Center, which filed a friend of the court brief in support of Megan Cathey, hailed the decision.

"The court has recognized that people who live in Maryland and who need services are entitled to get them," said Lauren Young, MDLC's litigation director.

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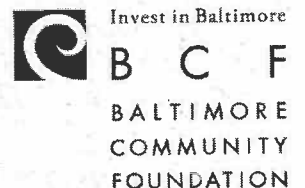
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