

Department of Legislative Services
Maryland General Assembly
2001 Session

FISCAL NOTE

House Bill 771 (Delegate McClenahan, *et al.*)

Environmental Matters

Budget and Taxation

Waterway Improvement Fund - Public Boating Construction Projects –
Financing

This bill increases, from \$50,000 to \$100,000, the costs for specified marine construction projects that the Waterway Improvement Fund may finance completely.

Fiscal Summary

State Effect: None. Total funding for marine construction projects from the Waterway Improvement Fund would not change. The Department of Natural Resources (DNR) advises that it would simply fund fewer projects but provide more funds per project.

Local Effect: Currently, local jurisdictions may only receive complete financing of marine construction projects if the costs total \$50,000 or less annually. Any project costs over \$50,000 must be matched on a 50/50 basis. Some counties choose to provide the match, and others choose to complete the project in more than one year (so as to have DNR finance the project completely). Accordingly, for local jurisdictions that receive complete funding from DNR, the bill would result in an increase in revenues of up to \$50,000 annually. For local jurisdictions that would otherwise provide matching funds, the bill would result in an increase in revenues of up to \$25,000 annually and a decrease in local expenditures of up to \$25,000 annually.

Small Business Effect: Minimal. Small businesses involved in marine construction projects could benefit to the extent that the bill expedites the completion of local projects.

Analysis

Current Law: Except for the construction of pump-out stations for use by the general boating public at public and private marinas, the governing body and the Waterway Improvement Fund must jointly finance projects to construct marine facilities beneficial to the boating public. The contribution of the Waterway Improvement Fund is limited to not more than 50% of the cost of each project. However, the Waterway Improvement Fund may finance completely any construction project beneficial to the boating public that costs less than \$50,000 regardless of its location.

Background: According to DNR, approximately \$2 million has been approved in fiscal 2001 for grants to 19 local jurisdictions for the complete financing of 59 marine construction projects. An additional \$1.4 million in matching funds has been approved for fiscal 2001. In fiscal 2000, DNR provided approximately \$1.2 million in complete project financing for 36 projects in 16 jurisdictions, and an additional \$400,000 in matching funds.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Natural Resources, Talbot and Worcester counties, Department of Legislative Services

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