

Department of Legislative Services
Maryland General Assembly
2016 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 366 (Senator Brochin)
Education, Health, and Environmental Affairs

Land Use - Department of Planning - Permit for Development Projects

This bill requires a person to apply to the Maryland Department of Planning (MDP) for a permit if the person undertakes a development project that (1) involves the construction of a total of 50 or more surface parking spaces or will result in a total of 50 or more surface parking spaces when combined with existing surface parking spaces and (2) is located within one-half mile of a scenic byway, as defined under a specified provision of the Transportation Article. MDP must provide an opportunity for public comment on the permit application. In reviewing the application, MDP must consider (1) the impact the development project will have on the surrounding community; (2) any comments received during the public comment period; and (3) any other factors the department considers necessary. MDP must adopt regulations to carry out the bill.

Fiscal Summary

State Effect: General fund expenditures increase by at least \$134,300 in FY 2017 for MDP to hire at least two planners to administer the permit process. Future years reflect annualization and inflation. Revenues are not affected.

(in dollars)	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	134,300	168,400	174,900	181,700	188,800
Net Effect	(\$134,300)	(\$168,400)	(\$174,900)	(\$181,700)	(\$188,800)

Note: () = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: The bill does not have a material direct impact on local government finances, but it could have an operational impact to the extent that it delays the development review process.

Small Business Effect: Potential meaningful.

Analysis

Current Law/Background:

Scenic Byway Definition

“Scenic byway” is defined, under provisions of the Transportation Article governing outdoor signs along federal-aid primary highways, as a transportation corridor designated by the State Highway Administration (SHA) as having special scenic, historic, recreational, cultural, archaeological, or natural qualities that have been recognized as such through legislation or some other official declaration. Generally, outdoor signs are not permitted along or near a scenic byway located on a federal-aid primary highway.

Scenic Byways Program

The National Scenic Byways Program was established under the Intermodal Surface Transportation Efficiency Act of 1991 and reauthorized in 1998 under the Transportation Equity Act for the 21st Century. Under the program, the U.S. Secretary of Transportation recognizes certain roads as National Scenic Byways or All-American Roads based on their archaeological, cultural, historic, natural, recreational, and scenic qualities. There are about 150 such designated byways in 46 states. SHA operates the State’s Scenic Byway Program, which designates byways, provides byway grant funding, and establishes guidelines for byways. Maryland has designated 18 State scenic byways that encompass 2,487 miles of roads and illustrate the State’s scenic beauty, history, and culture.

Land Use Planning and Regulation

The State has delegated land use planning and regulatory authority to local jurisdictions under the Land Use Article of the Annotated Code and the Express Powers Act under the Local Government Article. MDP supports local governments in those efforts through technical assistance, program guidance, data analysis, and outreach.

State Fiscal Effect: General fund expenditures increase by at least \$134,327 in fiscal 2017, which accounts for the bill’s October 1, 2016 effective date. This estimate reflects the cost of hiring two planners to coordinate project reviews, inspect project sites, and issue permits. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses. The development review and permitting required under the bill is a new function for the department. Operational procedures have to be developed by the department and, based on the extent of the scenic byway system in the State, MDP expects that *at least* two planning staff are needed to administer the program.

Positions	2
Salaries and Fringe Benefits	\$124,248
Operating Expenses	<u>10,079</u>
Minimum FY 2017 State Expenditures	\$134,327

Future year expenditures reflect full salaries with annual increases and employee turnover as well as annual increases in ongoing operating expenses.

For the purposes of this fiscal and policy note, it is assumed that permit fees are not collected, since the bill does not provide MDP with the authority to collect such fees.

Small Business Effect: Small businesses that propose projects that are affected by the bill may be meaningfully impacted by the additional level of development review, any delay or costs involved, and any effect the review has on the outcome of the project.

Additional Information

Prior Introductions: None.

Cross File: HB 913 (Delegates Aumann and West) - Environment and Transportation.

Information Source(s): Maryland Department of Planning; Maryland Department of Transportation; Dorchester, Harford, Howard, and Montgomery counties; Maryland-National Capital Park and Planning Commission; NAIOP (Maryland Chapter); Department of Legislative Services

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kb/lgc

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