

Department of Legislative Services
Maryland General Assembly
2017 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1378 (Delegate Conaway)
Environment and Transportation

Task Force to Study the Feasibility of Building a Maryland Inclusive Maritime Facility

This bill establishes a Task Force to Study the Feasibility of Building a Maryland Inclusive Maritime Facility consisting of the Secretary of Commerce (or the Secretary’s designee) and various other specified members (or their designees), appointed by the Secretary. The task force is staffed by the Department of Commerce (Commerce). The task force must report its findings and recommendations to the Governor and the General Assembly by January 31, 2018.

The bill takes effect July 1, 2017, and terminates June 30, 2018.

Fiscal Summary

State Effect: Commerce can provide staff and travel reimbursement to the task force using existing budgeted resources. General fund expenditures increase if the task force is expected to conduct a “feasibility study” for a maritime facility, as discussed below. Revenues are not affected.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Bill Summary: The task force must study the feasibility of building a sustainable and inclusive maritime facility that:

- serves as a catalyst for economic development, using sport, maritime heritage, and hands-on education and events in science, technology, engineering, and mathematics (STEM) fields;
- emphasizes Maryland’s cultural, business, geographic, and resource diversity and encourages collaboration among interested stakeholders;
- includes an educational institution that has initiatives emphasizing STEM resources for students;
- serves as a STEM workforce development vehicle for youth and young adults;
- collaborates with Maryland maritime tradespeople and the business community to develop and apply advanced technologies;
- encourages sustainability as part of the solution to scarcity;
- promotes tourism, serves as a destination for STEM-based field trips, and contains an interactive visitors center;
- hosts a professional sailing team that trains for and competes in international events such as the America’s Cup; and
- promotes the design, building, and testing of the professional sailing team’s boats in Maryland, the Chesapeake Bay region, and the United States, including America’s Cup boats.

Task force members do not receive compensation but are entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

Current Law: Commerce has various statutory objectives and duties that are similar in nature to the objectives described in the bill for a sustainable and inclusive maritime facility, including facilitating economic and workforce development and promoting tourism.

State Expenditures: Commerce advises that general fund expenditures increase by \$200,000 for consulting services, based on past experience of Commerce’s Office of Tourism Development with similar studies. The work conducted by consultants may include site and environmental assessments, market analysis, cost projections, an operational plan and budget, a design and construction timeline, and a funding development plan. The Department of Legislative Services advises that the task force, staffed by Commerce, can “study the feasibility” of building a maritime facility using existing resources; to the extent the task force actually conducts a *feasibility study* of building such a facility, expenditures increase, potentially by significantly more than Commerce’s estimate.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Commerce; Department of Legislative Services

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