

Department of Legislative Services
 Maryland General Assembly
 2020 Session

FISCAL AND POLICY NOTE
Third Reader

Senate Bill 721 (Senator Hester, *et al.*)
 Education, Health, and Environmental Affairs Health and Government Operations

Emergency Management - Chief Resilience Officer - Appointment and Duties

This bill establishes the position of Chief Resilience Officer (CRO) within the Maryland Emergency Management Agency (MEMA) to coordinate State and local efforts to build resilience to risks identified in the Maryland Hazard Mitigation Plan. **The bill takes effect July 1, 2020.**

Fiscal Summary

State Effect: General fund expenditures increase by \$260,500 in FY 2021; future years reflect ongoing costs. Revenues not affected.

(in dollars)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	260,500	297,500	305,100	315,600	326,400
Net Effect	(\$260,500)	(\$297,500)	(\$305,100)	(\$315,600)	(\$326,400)

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

Local Effect: The bill is not anticipated to have a direct, material effect on local operations or finances.

Small Business Effect: None. The bill does not directly affect small businesses.

Analysis

Bill Summary: The Director of MEMA must appoint a CRO, who serves at the pleasure of the director. The CRO is within the executive service of the State Personnel Management System and is entitled to a salary in the State budget.

General Duties of the Chief Resilience Officer

The CRO is responsible for coordinating State and local efforts to build resilience to risks identified in the Maryland Hazard Mitigation Plan. Specific duties of the CRO include (1) overseeing the development of a State Resilience Strategy, as specified; (2) coordinating across State and local agencies to prepare and implement resilience strategies; (3) identifying, securing, and assisting in accessing federal, State, and local funding streams and technical assistance that can be used to support State and local resilience efforts; and (4) working with business leaders from industries vulnerable to the risks identified in the plan to identify best practices for preparing for and responding to those risks.

Coordination and Collaboration with Other State Entities

In calendar 2020 through 2024, or until there is a substantial change to the risk assessment portion of the Maryland Hazard Mitigation Plan, the CRO must prioritize efforts and strategies aimed at building resilience to coastal hazard and flooding due to climate change. The CRO must also ensure the collaboration of relevant State agencies and programs in addressing those priorities.

The Adaptation and Resiliency Workgroup of the Maryland Commission on Climate Change within the Maryland Department of the Environment (MDE) must (1) support the CRO with coordinating resilience efforts across State agencies; (2) assist the CRO in producing an updated adaptation and resilience strategy for the State; and (3) review and alter the membership of the workgroup at the request of the CRO.

MDE must assist the CRO in reviewing the State's Flood Insurance Rate Maps and developing recommendations on the necessity of updating the maps.

The University of Maryland Center for Environmental Science (UMCES) must assist the CRO in (1) establishing a resilience baseline for the State and (2) developing a set of goals and indicators for the purpose of monitoring efforts to increase resilience. UMCES must also assist the CRO in producing an economic analysis and policy benchmark report on the State's resilience efforts, including (1) the economic impact of any projections related to the occurrence of extreme weather events in the State; (2) the resources necessary to adequately prepare for and reduce the adverse impacts associated with extreme weather and natural disasters and to increase resilience, as specified; (3) potential financial resources available for increasing resilience throughout the State, as specified; and (4) a comparison of Maryland's policies and economic investments aimed at building resilience with those of other vulnerable states, as specified.

Reporting Requirements

By January 1, 2022, and by January 1 each year thereafter, the CRO must report to the Governor, the State Treasurer, and the General Assembly on the current status and efficacy of State and local resilience efforts. The report must include (1) a summary of the CRO's activities during the preceding calendar year; (2) recommendations based on specified information gathered pursuant to the bill; and (3) recommendations regarding whether the State should create a Resiliency Program in the Governor's Office of Homeland Security, as specified.

Current Law/Background:

Maryland Emergency Management Agency, Generally

MEMA, which is part of the Military Department, is responsible for coordinating the State response in any major emergency or disaster. This includes supporting local governments as needed or requested and coordinating assistance with the Federal Emergency Management Agency (FEMA) and other federal partners. MEMA manages many of the federal grants that fund a broad range of initiatives leading to enhanced protection from and responses to the full range of natural and man-made disasters that could threaten the State's citizens.

Maryland Hazard Mitigation Plan

Federal law requires each state to create, and have approved by FEMA, a Standard State Mitigation Plan. Each plan must (1) identify natural hazards, risks, and vulnerabilities of areas in the state; (2) support development of local mitigation plans; (3) provide technical assistance to local and tribal governments for mitigation planning; and (4) identify and prioritize mitigation actions that states will support as resources become available. MEMA published the [Maryland Hazard Mitigation Plan](#) in August 2016. Section II of the plan outlines hazard identification and risk assessment in the State. The natural hazards specified in the plan include coastal hazards, floods, winter storms, tornadoes, and wind.

Maryland Commission on Climate Change

Chapter 429 of 2015 established the Maryland Commission of Climate Change within MDE. The commission must advise the Governor and the General Assembly on ways to mitigate the causes of, prepare for, and adapt to the consequences of climate change. The Adaptation and Resiliency Workgroup, among other things, supports the commission by developing a comprehensive strategy for reducing Maryland's climate change vulnerability by providing State and local governments with tools to plan for and adapt to extreme weather and sea level rise anticipated as a consequence of climate change.

State Flood Insurance Maps

In conjunction with FEMA, MDE updates regional flood risks that takes into account river flow, storm tides, rainfall, and coastal storm surges. This information is used to create flood insurance rate maps that, among other things, are used for floodplain management and insurance purposes.

State Expenditures: General fund expenditures increase by \$260,522 in fiscal 2021, which accounts for a 90-day start-up delay. This estimate reflects the cost of hiring (1) the CRO and one administrative assistant (to assist and support the CRO) within MEMA and (2) one full-time and two part-time contractual scientists for UMCES to assist the CRO as required by the bill. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses.

MEMA Positions	2.0
UMCES Contractual Positions	1.4
Salaries and Fringe Benefits	\$234,452
Operating Expenses	<u>26,070</u>
Total FY 2021 State Expenditures	\$260,522

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

The Department of Budget and Management advises that the Governor's proposed fiscal 2021 budget includes two executive services vacancies in MEMA. If MEMA is able to reclassify one of these vacancies for the new CRO position, costs are less.

MDE did not respond to a request for information regarding the fiscal effect of the bill in time for inclusion in this fiscal and policy note. It is assumed that MDE can handle any increase in workload with existing budgeted resources. Should existing resources prove insufficient, MDE may request additional resources through the annual budget process.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Anne Arundel, Baltimore, and Garrett counties; Maryland Association of Counties; City of Laurel; Maryland Municipal League; University System of Maryland; Department of Budget and Management; Department of General Services;

Department of Natural Resources; Maryland Department of Transportation; Military Department; Department of Legislative Services

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