

Department of Legislative Services
 Maryland General Assembly
 2021 Session

FISCAL AND POLICY NOTE
 First Reader

House Bill 1325 (Delegate Amprey)
 Environment and Transportation

Food Insecurity Zones – State Legislative Districts – Reports

This bill requires the Department of Housing and Community Development (DHCD) and the Maryland Department of Planning (MDP) to produce and submit a joint report for each State legislative district on the food environment in the district to the General Assembly by December 1, 2021, and every two years thereafter. The reports must include the metrics that determine food insecurity zones. Each report must be in the same format and the same detail as the City of Baltimore’s State Legislative District 2018 Food Environment Briefs, as produced by the Baltimore City Department of Planning and the Johns Hopkins Center for a Livable Future. In producing the required reports, DHCD and MDP may collaborate with (1) any university in the State and (2) any nonprofit organization that specializes in equitable food access. **The bill takes effect June 1, 2021.**

Fiscal Summary

State Effect: No effect in FY 2021. General fund expenditures increase by at least \$188,200 in FY 2022; costs may be substantially greater if universities or nonprofit organizations are unable or unwilling to provide necessary assistance at no cost to the State. Future year expenditures reflect ongoing operating costs. Revenues are not affected.

| (in dollars) | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 |
|----------------|-------------|-------------|-------------|-------------|-------------|
| Revenues | \$0 | \$0 | \$0 | \$0 | \$0 |
| GF Expenditure | 188,200 | 170,800 | 175,300 | 180,900 | 186,700 |
| Net Effect | (\$188,200) | (\$170,800) | (\$175,300) | (\$180,900) | (\$186,700) |

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

Local Effect: The bill is not anticipated to materially affect local government operations or finances.

Small Business Effect: Minimal.

Analysis

Current Law: There is no requirement in current law for DHCD and MDP to report on the food environment in each legislative district.

The Interagency Food Desert Advisory Committee within DHCD must (1) advise and make recommendations to DHCD on the development and adoption of regulations related to food desert projects; (2) make recommendations to the Secretary of Housing and Community Development on applications for designating an area as a food desert; and (3) make recommendations for interagency coordination to reduce the number of food deserts and promote healthy food access for Maryland neighborhoods. The Secretary of Housing and Community Development, on the recommendation of the committee, is authorized to designate an area as a food desert.

State Expenditures: Baltimore City advises that the city's Department of Planning created the report referenced by the bill in collaboration with the Johns Hopkins University (JHU) with existing resources, in large part because JHU conducted the field work (over seven months) necessary to collect data about every food store in the city at no cost to the city. Baltimore City further advises that oversight of the project and development of the report using the data collected by JHU required significant time from existing staff. As the bill requires 47 different versions of the single report prepared by Baltimore City, it is anticipated that extensive staffing resources are needed to prepare the required reports, which is not absorbable with existing staff.

This analysis also assumes that JHU, State universities, or nonprofit organizations can conduct the field work in other areas of the State needed to acquire the necessary data about food stores, much of which MDP advises is not currently available, with existing resources and/or at no cost to the State. If the universities or nonprofit organizations are not able or willing to collect and provide the necessary data at no cost to the State, as JHU did for Baltimore City, then MDP will have to pay a third party to collect the data. MDP estimates an initial cost of \$400,000 in the first year and \$200,000 annually thereafter for those services, but those estimates are not included in this analysis.

Therefore, general fund expenditures increase by at least \$188,150 in fiscal 2022, which accounts for a 30-day start-up delay from the bill's June 1, 2021 effective date. This estimate reflects the cost of hiring a total of two staff (one report specialist for DHCD and one report specialist for MDP) to coordinate the development of the required reports with participating universities and/or nonprofit organizations. The estimate includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses, including annual subscription fees of \$20,000. The information and assumptions used in calculating the estimate are stated as follows:

- every two years, MDP and DHCD must jointly prepare 47 different reports, 1 for each legislative district;
- JHU, the University System of Maryland, other universities in the State, or nonprofit organizations can collect and analyze the necessary data with existing resources and/or at no cost to the State;
- DHCD and MDP require additional staff to coordinate the collection and analysis of data and the preparation of each of the 47 reports; and
- MDP must subscribe to a mapping tool necessary to calculate driving distances to food stores at an annual cost of \$20,000.

| | <u>DHCD</u> | <u>MDP</u> |
|---|-----------------|------------------|
| Positions | 1.0 | 1.0 |
| Salaries and Fringe Benefits | \$78,330 | \$78,330 |
| Subscription Fees | | 20,000 |
| Other Operating Expenses | <u>5,745</u> | <u>5,745</u> |
| Minimum FY 2022 State Expenditures | \$84,075 | \$104,075 |

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

Baltimore City also advises that it took the city and JHU one year to complete the report referenced in the bill. As the bill requires the preparation of 47 reports (1 for each legislative district), DHCD and MDP may not be able to meet the bill's December 1, 2021 deadline for the first set of reports.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Baltimore City; University System of Maryland; Morgan State University; St. Mary's College of Maryland; Department of Housing and Community Development; Maryland Department of Planning; Department of Legislative Services

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