

Department of Legislative Services
 Maryland General Assembly
 2024 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 566

(Delegate Grossman, *et al.*)

Health and Government Operations

Education, Energy, and the Environment

Commission on State and Local Government Real Property Bearing Confederate Names

This bill establishes the Commission on State and Local Government Real Property Bearing Confederate Names as an independent unit in the Executive Branch of State government. The commission must (1) develop and implement a framework to identify real property bearing a Confederate name that is owned by the State or a political subdivision and (2) make recommendations regarding the real property that should be renamed. By October 1, 2031, the commission must report its findings and recommendations to specified entities. **The bill takes effect July 1, 2025, and terminates June 30, 2032.**

Fiscal Summary

State Effect: No effect in FY 2025. General fund expenditures increase by \$107,900 in FY 2026; future years reflect ongoing costs, which terminate in FY 2033. Expense reimbursements for commission members are assumed to be minimal and absorbable within existing resources. To the extent that the commission receives funding from other sources, general fund expenditures may be less (but not less than \$80,000). Revenues are not directly affected. **This bill establishes a mandated appropriation for FY 2026 through 2032.**

(in dollars)	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	107,900	106,000	110,600	115,400
Net Effect	\$0	(\$107,900)	(\$106,000)	(\$110,600)	(\$115,400)

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

Bill Summary: “Confederate name” means a name that commemorates the Confederate States of America (CSA) or any person who served voluntarily with CSA. “Political subdivision” means (1) a county; (2) a municipal corporation; (3) an unincorporated town; (4) a school district; or (5) a special district.

The commission consists of 24 members appointed by the Governor with the advice and consent of the Senate. The Governor must appoint one representative of each county. The Governor may remove a member for incompetence or misconduct. The commission must elect annually a chair and vice chair from among its members. A member of the commission may not receive compensation as a member of the commission but is entitled to reimbursement for expenses as provided in the State budget.

The commission must meet at least quarterly, and at the discretion of the chair or the Governor.

With the approval of the Governor, the commission must appoint a director. The director may not be a member of the commission, and the director serves at the pleasure of the commission, subject to concurrence of the Governor. The director is a special appointment in the State Personnel Management System and must be paid a salary of \$80,000 annually. The Governor must include in the annual budget bill an appropriation of \$80,000 for the salary of the director.

Nothing in the bill may be construed to authorize the commission to rename real property owned by the State or a political subdivision.

The commission may seek money from the federal government, foundations, and private sources in addition to State financing. The commission may accept gifts, grants, donations, requests, or endowments for any of its purposes. Money received and income and fees derived from educational materials and activities of the commission are not subject to reversion to the general fund. Money maintained is subject to audit by the State, including by the Legislative Auditor.

Current Law: There is no relevant State law regarding the prohibition or renaming of real property referencing CSA.

The Commission on the Naming of Items of the Department of Defense that Commemorate the Confederate States of America or Any Person Who Served Voluntarily with the

Confederate States of America (Naming Commission) was established following the enactment of the federal fiscal 2021 National Defense Authorization Act. Among other things, the Naming Commission was tasked with creating a list to identify specified names and information within the U.S. Department of Defense that commemorate CSA or any person who served voluntarily with CSA, including names, symbols, displays, monuments, or paraphernalia that commemorate CSA. The Naming Commission published three reports and they can be read [here](#).

State Expenditures: No effect in fiscal 2025 as the mandated appropriation that provides staff for the commission does not take effect until fiscal 2026. Thus, general fund expenditures increase by \$107,901 in fiscal 2026, which reflects the bill’s delayed July 1, 2025 effective date. This estimate reflects the cost of hiring one director to staff the commission and produce the necessary report. It includes the mandated salary of \$80,000, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Position	1.0
Salaries and Fringe Benefits	\$100,364
Operating Expenses	<u>7,537</u>
Total FY 2026 State Expenditures	\$107,901

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

This analysis does not include an estimate of any federal funds, foundation funding, private fund, or other donated funding and materials collected by the commission.

The Office of Legislative Audits can audit the commission with existing resources.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Baltimore, Charles, Garrett, and Howard counties; Maryland Association of Counties; Maryland-National Capital Park and Planning Commission; cities of Greenbelt and Laurel; Maryland Municipal League; Town of La Plata; Judiciary (Administrative Office of the Courts); Maryland State Department of Education; University System of Maryland; Morgan State University; St. Mary’s College of Maryland; Department of General Services; Department of Natural Resources; Maryland Department

of Transportation; Anne Arundel County Public Schools; U.S. Department of Defense;
Library of Congress; Department of Legislative Services

Fiscal Note History: First Reader - February 9, 2024
js/mcr Third Reader - March 18, 2024
Revised - Amendment(s) - March 18, 2024

Analysis by: Thomas S. Elder

Direct Inquiries to:
(410) 946-5510
(301) 970-5510