

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE
Revised

House Bill 1334 (Chairman, Appropriations Committee)
(Departmental - Natural Resources)

Appropriations

Referred to Budget and Taxation

Department of Natural Resources - Program Open Space - Use of Funds

This amended bill provides that in fiscal 1997 only the Department of Natural Resources (DNR) may use up to 12.5% of the State's share of Program Open Space (POS) funds available for capital improvements to operate State parks and forests. The only wages that can be paid with these funds are the wages of seasonal employees. The funds available for this purpose do not include the proceeds of bond issues.

This bill is effective July 1, 1996.

Fiscal Summary

State Effect: None, as discussed below.

Local Effect: None.

Small Business Effect: The Department of Natural Resources has determined that this bill has minimal or no impact on small business (attached). Fiscal Services disagrees with this assessment as discussed below. (The attached assessment does not reflect amendments to the bill.)

Fiscal Analysis

State Effect: Current law allows DNR to request up to 25% of the State share of Program Open Space funds to be allocated for capital development projects. The fiscal 1997 budget allowance includes approximately \$6.4 million for these projects. Under this bill up to \$800,000 could be used for operating expenses. This represents a reallocation of resources rather than any change in overall expenditures.

Small Business Effect: As noted by DNR in its Small Business Impact Statement, fewer development projects will lead to fewer construction contracts. To the extent that small businesses receive these contracts, this reallocation of up to \$800,000 could significantly impact small businesses.

Information Source(s): Department of Natural Resources, Department of Fiscal Services

Fiscal Note History: First Reader - March 4, 1996
ncs Revised - House Third Reader - March 26, 1996

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