

Department of Fiscal Services  
Maryland General Assembly

FISCAL NOTE

House Bill 598 (Delegate Leopold, et al.)  
Environmental Matters

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**Economic Growth, Resource Protection, and Planning - Local Jurisdiction Rating Systems**

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This bill establishes a 10-member Interagency Economic Growth, Resource Protection, and Planning Policy Committee. It further creates a Growth Management Incentive Fund that consists of moneys appropriated to it in the State budget; the fund must consist of moneys set aside from existing infrastructure funding, capital, and land acquisition programs. The committee must administer the distribution of the fund so as to encourage local jurisdictions to develop consistent planning in the areas of economic growth and resource protection. The committee must develop criteria for rating systems to be developed by local jurisdictions and a means of evaluating and ranking these rating systems. The committee must report to the Governor and the General Assembly by October 31, 1996 on the appropriate amounts to be set aside for the fund from existing programs based upon an assessment of funding needs.

Each local jurisdiction may establish a rating system to evaluate, prioritize, and conduct economic growth, resource protection, and planning activities. Each rating system must generally be consistent with other local policies, consider specified needs, and incorporate criteria established by the committee.

This bill is effective July 1, 1996.

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**Fiscal Summary**

**State Effect:** Revenues would not be affected. General fund expenditure increase of \$41,200 in FY 1997 only.

**Local Effect:** Indeterminate effect on local revenues; potential indeterminate increase in expenditures.

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## **Fiscal Analysis**

**State Effect:** The bill specifies that the Director of the Maryland Office of Planning must chair the committee; the office presumes that it will be required to provide staff support. The office reports that it would need a Planner V to provide assistance with developing criteria and assist in administering the fund. The Department of Fiscal Services advises that the development of criteria and an evaluation/ranking system would produce the most workload in the first year of the commission; therefore, the office should hire a contractual person for one year. This would cost \$41,200 in fiscal 1997 due to personnel and associated operating expenditures.

In order to fund this program, it is possible that funds will be diverted from Program Open Space (State and local share), the Agricultural Land Preservation Fund, the Heritage Conservation Fund, and various transportation programs. However, it cannot be determined at this time how much funding would be needed, or how much would come from the various programs.

Committee members would be reimbursed for expenses under the standard State travel regulations. Any such expenditures would depend upon the time, location, and frequency of the commission's meetings. Expenses are assumed to be minimal and absorbable within existing resources.

**Local Effect:** Local governments that choose to develop a rating system could incur an indeterminate cost in doing so; the magnitude of the cost will depend in part on the criteria developed by the committee.

The overall effect of the bill on county governments would depend upon the allocation of the fund and the extent to which infrastructure funding, capital, and land acquisition programs planned for or underway in the counties would be affected by the diversion of funds. For instance, Carroll County reports that the use of a needs rating system could mean that funds from this program would be distributed elsewhere, while State funding to Carroll County for Program Open Space, agricultural land preservations money, road projects, etc. could be negatively impacted. Counties that receive high rankings by the committee could receive a higher proportion of funds than currently distributed.

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**Information Source(s):** Department of Natural Resources; Maryland Department of Agriculture; Maryland Office of Planning; Carroll, Prince George's, Montgomery, Queen Anne's, and St. Mary's counties; Maryland Department of Transportation; Department of Fiscal Services

**Fiscal Note History:** First Reader - March 4, 1996  
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