

HOUSE BILL 802

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HB 1089/98 - ECM

1999 Regular Session
9r1444

By: **Delegates Rosenberg and Mitchell**
Introduced and read first time: February 12, 1999
Assigned to: Economic Matters

Committee Report: Favorable
House action: Adopted
Read second time: March 17, 1999

CHAPTER _____

1 AN ACT concerning

2 **Economic Development - Maryland Regional Economic Competitiveness Act**

3 FOR the purpose of establishing a regional economic competitiveness program in the
4 Department of Business and Economic Development for certain purposes;
5 establishing a Maryland Regional Economic Competitiveness Fund in the
6 Department; providing for the administration, funding, and status of the Fund;
7 specifying certain eligibility requirements for payments from the Fund to
8 certain local jurisdictions or regional partnerships; authorizing the Department
9 to determine certain priorities in determining the eligibility of local jurisdictions
10 or regional partnerships that apply for moneys from the Fund; specifying the
11 year in which local jurisdictions or regional partnerships are eligible to receive a
12 certain payment; requiring certain local jurisdictions or a regional partnership
13 to submit a certain report to the Department; providing for participation by a
14 local jurisdiction in two different regional partnerships under certain
15 circumstances; requiring certain intergovernmental cooperation among all units
16 of State, county, and local government in the State; authorizing local
17 jurisdictions of a regional partnership to submit certain information to the
18 Department before submitting a certain application; requiring the Department
19 to provide certain technical assistance and to suggest remedial action under
20 certain circumstances and authorizing the Department to provide certain
21 technical assistance on a certain request; authorizing the Department to adopt
22 certain regulations; providing that a decision to fund or not to fund a certain
23 joint activity is not subject to certain administrative actions; providing that this
24 Act does not create a private cause of action; defining certain terms; and
25 generally relating to regional economic development and competitiveness.

26 BY adding to
27 Article 83A - Department of Business and Economic Development

1 Section 6-901 through 6-912, inclusive, to be under the new subtitle "Subtitle 9.
2 Maryland Regional Economic Competitiveness Act"
3 Annotated Code of Maryland
4 (1998 Replacement Volume)

5 BY repealing and reenacting, without amendments,
6 Article 83A - Department of Business and Economic Development
7 Section 1-101(a) and (b)
8 Annotated Code of Maryland
9 (1998 Replacement Volume)

10 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
11 MARYLAND, That the Laws of Maryland read as follows:

12 **Article 83A - Department of Business and Economic Development**

13 1-101.

14 (a) In this article the following words have the meanings indicated.

15 (b) "Department" means the Department of Business and Economic
16 Development.

17 SUBTITLE 9. MARYLAND REGIONAL ECONOMIC COMPETITIVENESS ACT.

18 6-901.

19 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
20 INDICATED.

21 (B) "FUND" MEANS THE MARYLAND REGIONAL ECONOMIC COMPETITIVENESS
22 FUND ESTABLISHED UNDER § 6-903 OF THIS SUBTITLE.

23 (C) "JOINT ACTIVITY" MEANS A GOVERNMENTAL FUNCTION THAT:

24 (1) IS CARRIED OUT BY, PERFORMED ON BEHALF OF, OR CONTRACTED
25 FOR TWO OR MORE LOCAL JURISDICTIONS; AND

26 (2) INVOLVES ONE OR MORE ACTIVITIES CONCERNING:

27 (I) JOB CREATION OR ECONOMIC DEVELOPMENT; OR

28 (II) REVENUE SHARING OR GROWTH SHARING AGREEMENTS.

29 (D) "LOCAL JURISDICTION" MEANS A COUNTY OR BALTIMORE CITY.

30 (E) "REGIONAL PARTNERSHIP" MEANS A PLANNING OR ECONOMIC
31 DEVELOPMENT ORGANIZATION THAT IS COMPOSED OF TWO OR MORE LOCAL
32 JURISDICTIONS THAT CARRY OUT THIS SUBTITLE.

1 6-902.

2 THE PURPOSES OF THIS SUBTITLE ARE:

3 (1) TO PROVIDE AN INCENTIVE TO LOCAL JURISDICTIONS TO EXERCISE
4 THE STRATEGIC AND COOPERATIVE OPTIONS SPECIFIED IN THIS SUBTITLE TO
5 ADDRESS ECONOMIC COMPETITIVENESS ISSUES FOR THE MUTUAL BENEFIT OF THE
6 LOCAL JURISDICTIONS AND THE BENEFIT OF THE STATE; AND

7 (2) TO ENCOURAGE REGIONAL CONFIGURATIONS OF LOCAL
8 JURISDICTIONS OF A SUFFICIENT SCALE TO ADDRESS REGIONAL ECONOMIC
9 COMPETITIVENESS ISSUES WHILE ALSO REDUCING OR ELIMINATING REGIONAL
10 FRAGMENTATION IN THE STATE.

11 6-903.

12 (A) THERE IS A MARYLAND REGIONAL ECONOMIC COMPETITIVENESS FUND
13 IN THE DEPARTMENT.

14 (B) THE PURPOSE OF THE FUND IS TO ENCOURAGE AND REWARD REGIONAL
15 JOINT ACTIVITIES AS SPECIFIED IN THIS SUBTITLE.

16 (C) THE DEPARTMENT SHALL ADMINISTER THE FUND.

17 (D) THE FUND CONSISTS OF MONEYS APPROPRIATED BY THE GENERAL
18 ASSEMBLY AND RECEIVED FROM ANY OTHER LAWFUL SOURCE.

19 (E) ON A DATE DETERMINED BY THE DEPARTMENT, THE DEPARTMENT SHALL
20 DISTRIBUTE THE MONEYS IN THE FUND TO:

21 (1) LOCAL JURISDICTIONS THAT QUALIFY UNDER § 6-904 OF THIS
22 SUBTITLE; OR

23 (2) REGIONAL PARTNERSHIPS THAT QUALIFY UNDER § 6-904 OF THIS
24 SUBTITLE.

25 (F) THE FUND SHALL BE USED TO PAY EXPENSES FOR ADMINISTRATIVE,
26 LEGAL, ACTUARIAL, TECHNICAL ASSISTANCE, AND OTHER SERVICES.

27 (G) (1) THE FUND IS A CONTINUING, NONLAPSING FUND, NOT SUBJECT TO §
28 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

29 (2) ANY UNSPENT PORTIONS OF THE FUND MAY NOT BE TRANSFERRED
30 OR REVERT TO THE GENERAL FUND OF THE STATE, BUT SHALL REMAIN IN THE FUND
31 TO BE USED FOR THE PURPOSES SPECIFIED IN THIS SUBTITLE.

32 6-904.

33 (A) TO QUALIFY FOR A PAYMENT FROM THE FUND, AN APPLICATION SHALL
34 BE SUBMITTED TO THE DEPARTMENT BY:

1 (1) TWO OR MORE LOCAL JURISDICTIONS JOINTLY; OR

2 (2) A REGIONAL PARTNERSHIP.

3 (B) AT THE TIME OF THE APPLICATION, THE LOCAL JURISDICTIONS OR A
4 REGIONAL PARTNERSHIP SHALL HAVE DEVELOPED AND FORMALLY ADOPTED A
5 PLAN THAT ESTABLISHES CLEAR, MEASURABLE OUTCOMES THAT THE LOCAL
6 JURISDICTIONS OR REGIONAL PARTNERSHIP SHALL USE TO ASSESS PROGRESS
7 WITHIN THE LOCAL JURISDICTIONS OR REGIONAL PARTNERSHIP TO ADDRESS THE
8 ECONOMIC COMPETITIVENESS OF THE LOCAL JURISDICTIONS OR REGIONAL
9 PARTNERSHIP AND THE DELIVERY OF THE PROPOSED JOINT ACTIVITIES.

10 (C) AS A CONDITION OF APPROVAL BY THE DEPARTMENT, AN APPLICATION
11 SHALL INCLUDE THE APPROVAL OF THE CHIEF ECONOMIC DEVELOPMENT OFFICER
12 OR EQUIVALENT ENTITY REPRESENTING THE AFFECTED LOCAL JURISDICTIONS.

13 6-905.

14 IN DETERMINING THE ELIGIBILITY OF LOCAL JURISDICTIONS OR A REGIONAL
15 PARTNERSHIP FOR A PAYMENT FROM THE FUND FOR A JOINT ACTIVITY, THE
16 DEPARTMENT SHALL DETERMINE PRIORITIES BASED ON:

17 (1) THE SIGNIFICANCE OF THE JOINT ACTIVITY AS MEASURED BY:

18 (I) THE AMOUNT OF FISCAL RESOURCES COMMITTED TO THE
19 JOINT ACTIVITY BY THE AFFECTED LOCAL JURISDICTIONS; OR

20 (II) THE EXTENT OF REGIONAL EFFORT INVOLVED IN DEVELOPING
21 THE JOINT ACTIVITY;

22 (2) THE NUMBER OF LOCAL JURISDICTIONS THAT PARTICIPATE IN THE
23 JOINT ACTIVITY;

24 (3) THE AMOUNT OF FISCAL RESOURCES COMMITTED TO THE JOINT
25 ACTIVITY BY THE LOCAL JURISDICTION WHERE THE JOINT ACTIVITY IS LOCATED;

26 (4) THE COMPLEXITY OF THE JOINT ACTIVITY;

27 (5) THE GENERAL IMPACT OF THE JOINT ACTIVITY ON RELATIONS
28 BETWEEN OR AMONG AFFECTED LOCAL JURISDICTIONS; OR

29 (6) ANY OTHER FACTOR RELEVANT AND APPROPRIATE TO ECONOMIC
30 DEVELOPMENT.

31 6-906.

32 (A) THE YEAR IN WHICH LOCAL JURISDICTIONS OR A REGIONAL
33 PARTNERSHIP IS ELIGIBLE FOR A PAYMENT FROM THE FUND IS THE FISCAL YEAR OF
34 THE STATE NEXT AFTER THE CALENDAR YEAR IN WHICH THE JOINT ACTIVITY
35 QUALIFIES FOR THE PAYMENT.

1 (B) THE DEPARTMENT ANNUALLY SHALL MAKE PAYMENTS FROM THE FUND
2 TO ELIGIBLE LOCAL JURISDICTIONS AND ELIGIBLE REGIONAL PARTNERSHIPS.

3 6-907.

4 (A) THIS SECTION APPLIES TO LOCAL JURISDICTIONS OR A REGIONAL
5 PARTNERSHIP THAT THE DEPARTMENT DETERMINES TO BE ELIGIBLE FOR A
6 PAYMENT FROM THE FUND.

7 (B) ON OR BEFORE A DATE DETERMINED BY THE DEPARTMENT, LOCAL
8 JURISDICTIONS OR A REGIONAL PARTNERSHIP SHALL SUBMIT A REPORT TO THE
9 DEPARTMENT THAT INCLUDES AT A MINIMUM A DESCRIPTION OF THE PROGRESS OF
10 THE LOCAL JURISDICTIONS OR REGIONAL PARTNERSHIP IN:

11 (1) IMPROVING THE ECONOMIC COMPETITIVENESS OF THE LOCAL
12 JURISDICTIONS OR REGIONAL PARTNERSHIP IN ACCORDANCE WITH THIS SUBTITLE;
13 AND

14 (2) ADDRESSING THE CRITICAL ISSUES OF ECONOMIC
15 COMPETITIVENESS IDENTIFIED IN THE PLAN FOR THE LOCAL JURISDICTIONS OR
16 REGIONAL PARTNERSHIP SUBMITTED UNDER § 6-904(B) OF THIS SUBTITLE.

17 6-908.

18 A LOCAL JURISDICTION MAY PARTICIPATE IN TWO DIFFERENT REGIONAL
19 PARTNERSHIPS, IF BOTH REGIONAL PARTNERSHIPS AGREE ON A CLEAR METHOD OF
20 DIVIDING THE POPULATION OF THE LOCAL JURISDICTION THAT SEEKS
21 PARTICIPATION FOR PURPOSES OF DISTRIBUTION OF PAYMENTS IN THE FUND.

22 6-909.

23 (A) ALL UNITS OF STATE, COUNTY, AND LOCAL GOVERNMENT IN THE STATE
24 SHALL MAKE AVAILABLE THE INFORMATION AND ASSISTANCE THAT THE
25 DEPARTMENT REQUIRES IN EXERCISING ITS FUNCTIONS UNDER THIS SUBTITLE.

26 (B) (1) BEFORE SUBMITTING AN APPLICATION TO THE DEPARTMENT
27 UNDER § 6-904 OF THIS SUBTITLE, LOCAL JURISDICTIONS OR A REGIONAL
28 PARTNERSHIP MAY SUBMIT FOR REVIEW BY THE DEPARTMENT INFORMATION
29 ABOUT:

30 (I) THE PROPOSED STRUCTURE AND MEMBERSHIP OF A REGIONAL
31 PARTNERSHIP;

32 (II) THE PLAN REQUIRED TO BE SUBMITTED UNDER § 6-904 OF THIS
33 SUBTITLE; OR

34 (III) BOTH.

35 (2) IF THE DEPARTMENT DETERMINES THAT THE INFORMATION
36 SUBMITTED BY LOCAL JURISDICTIONS OR A REGIONAL PARTNERSHIP UNDER

1 PARAGRAPH (1) OF THIS SUBSECTION DOES NOT COMPLY WITH THIS SUBTITLE OR
2 WITH REGULATIONS THE DEPARTMENT ADOPTS TO CARRY OUT THIS SUBTITLE, THE
3 DEPARTMENT SHALL PROVIDE TECHNICAL ASSISTANCE AND SUGGEST REMEDIAL
4 ACTION TO THE LOCAL JURISDICTIONS OR REGIONAL PARTNERSHIP.

5 (C) AT ANY TIME ON REQUEST BY LOCAL JURISDICTIONS OR A REGIONAL
6 PARTNERSHIP, THE DEPARTMENT SHALL PROVIDE TECHNICAL ASSISTANCE TO THE
7 LOCAL JURISDICTIONS OR REGIONAL PARTNERSHIP CONCERNING
8 IMPLEMENTATION OF THIS SUBTITLE.

9 6-910.

10 THE DEPARTMENT MAY ADOPT ANY REGULATION NECESSARY TO CARRY OUT
11 THIS SUBTITLE.

12 6-911.

13 (A) THIS SUBTITLE MAY NOT BE CONSTRUED TO CREATE A PRIVATE CAUSE OF
14 ACTION FOR ANY PERSON, LOCAL JURISDICTION, OR REGIONAL PARTNERSHIP.

15 (B) A DECISION TO FUND OR NOT TO FUND A JOINT ACTIVITY UNDER THIS
16 SUBTITLE IS NOT SUBJECT TO TITLE 10, SUBTITLE 2 (ADMINISTRATIVE PROCEDURE
17 ACT - CONTESTED CASES) OF THE STATE GOVERNMENT ARTICLE.

18 6-912.

19 THIS SUBTITLE MAY BE CITED AS THE "MARYLAND REGIONAL ECONOMIC
20 COMPETITIVENESS ACT".

21 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
22 October 1, 1999.