

Department of Legislative Services
Maryland General Assembly
2001 Session

FISCAL NOTE

Senate Bill 556 (Senator Colburn)

Finance

Commerce and Government Matters

**Port of Cambridge - Operation and Maintenance by Maryland Port
Administration - Jurisdiction**

This bill repeals the requirement that the Maryland Port Administration (MPA) operate and maintain the Port of Cambridge. It gives the MPA the authority to sell, transfer, or otherwise dispose of the port facility in accordance with State procurement law.

Fiscal Summary

State Effect: Potentially significant Transportation Trust Fund (TTF) revenue increase if the port is sold. Potential minimal decrease in TTF expenditures due to elimination of the obligation to pay operating expenses for the port.

Local Effect: Potential revenue increase to the extent that the sale of the port generates additional economic development.

Small Business Effect: Minimal.

Analysis

Current Law: The MPA is required to operate and maintain the Port of Cambridge (also known as the Cambridge Marine Terminal) and is authorized to expend the necessary funds for the development of the port.

Background: In 1979, operation of the Port of Cambridge was placed under the control of the MPA. The MPA advises that the bill would expand the uses of the port for local

economic development. The MPA has drafted a request for information to solicit potential buyers or lessees.

State Fiscal Effect: The Port of Cambridge is assessed at approximately \$2 million. If the port is sold at this value, TTF revenues would increase significantly. However, if the MPA engages in a long-term lease or other arrangement, the revenue increase cannot be estimated at this time. Expenditures would decrease to the extent that the MPA would no longer be responsible for any operational or maintenance costs associated with the port. The MPA advises that the current costs are minimal as the port lessee (a nonprofit organization) pays for daily maintenance.

Additional Information

Prior Introductions: None.

Cross File: HB 572 (Dorchester County Delegation) – Commerce and Government Matters.

Information Source(s): Department of Transportation (Maryland Port Administration), Department of Legislative Services

Fiscal Note History: First Reader – February 23, 2001
ncs/cer

Analysis by: Ann Marie Maloney

Direct Inquiries to:
John Rixey, Coordinating Analyst
(410) 946-5510
(301) 970-5510