

Department of Legislative Services
 Maryland General Assembly
 2001 Session

FISCAL NOTE
Revised

House Bill 1087 (Eastern Shore Delegation)

Commerce and Government Matters

Economic and Environmental Affairs

Tri-County Council for the Lower Eastern Shore of Maryland

This emergency bill establishes the Tri-County Council for the Lower Eastern Shore of Maryland to facilitate regional planning and development in Somerset, Wicomico, and Worcester counties. The State budget, subject to annual review by the General Assembly, shall provide an appropriation in the following fiscal year of at least \$200,000 for support of the council. Each county represented on the council must provide \$10,000 annually in funding to the council.

Fiscal Summary

State Effect: The FY 2002 State budget includes \$200,000 to establish regional planning organizations on the Eastern Shore. These funds are not contingent upon enactment of this or any other bill. It is assumed that the Tri-County Council for the Lower Eastern Shore of Maryland established by this bill would receive half of these funds. Future general fund expenditures reflect a \$200,000 annual appropriation.

(in dollars)	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	100,000	200,000	200,000	200,000	200,000
Net Effect	(\$100,000)	(\$200,000)	(\$200,000)	(\$200,000)	(\$200,000)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: Somerset, Wicomico, and Worcester counties' expenditures would increase by \$10,000 annually for operational support of the Tri-County Council for the Lower Eastern Shore of Maryland. Revenues could increase to the extent that federal funds are secured through a competitive process for operational assistance and project funding. ***This bill imposes a mandate on a unit of local government.***

Small Business Effect: Minimal. Small businesses may benefit to the extent that a regional planning effort attracts resources and creates additional opportunities.

Analysis

Bill Summary: The Tri-County Council for the Lower Eastern Shore of Maryland would operate as a cooperative planning and development agency to foster the physical, economic, and social development of the lower Eastern Shore region. The voting membership of the council includes the five county commissioners of Somerset and Worcester counties, the five members of the Wicomico County Council, one elected municipal official from each county; and members of the General Assembly representing the region who have a majority of their legislative districts in the region. The nonvoting membership of the council includes the other members of the Wicomico County Council and members of the General Assembly representing the region who do not have a majority of their district in the region. The bylaws of the council may provide for additional private citizen membership. Members serve without compensation.

The council is required to submit to the Department of Business and Economic Development (DBED) its proposed work programs and operating budget for the following year on or before August 1 of each year. DBED is required to forward the proposed operating budget to the Department of Budget and Management for consideration. The council may hire an executive director and select and retain its own legal counsel. The Attorney General of Maryland may serve as the legal advisor to the council at the council's request in all matters pertaining to its activities.

The bill's provisions may not be construed to confer any land use regulation or zoning authority to the Tri-County Council for the Lower Eastern Shore of Maryland.

Current Law: There is no Tri-County Council for the Lower Eastern Shore of Maryland. Planning functions are performed by the respective county governments.

Background: Somerset, Wicomico, and Worcester counties have 147,480 residents comprising 2.85% of the State's population.

State Fiscal Effect: The fiscal 2002 State budget includes \$200,000 to establish regional planning organizations on the Eastern Shore. These funds are not contingent upon enactment of this or any other bill. It is assumed that the Tri-County Council for the Lower Eastern Shore of Maryland established by this bill would receive half of these funds for start-up costs. DBED advises that any technical and administrative support for the council could be handled with existing resources.

Future year expenditures reflect an annual \$200,000 appropriation.

It is also assumed that the other half of the \$200,000 appropriation for fiscal 2002 would go to the Mid-Shore Regional Council as established by HB 1088.

Local Fiscal Effect: Somerset, Wicomico, and Worcester counties are required to provide at least \$10,000 in annual funding to the council. Municipal governments and special taxing districts could also provide funding, but are not required to do so. In addition, the Tri-County Council for the Lower Eastern Shore of Maryland would be eligible to secure federal funds through the U.S. Department of Commerce's Economic Development Administration (EDA) for operational assistance and project funding. EDA funds for the Maryland and Virginia region total \$13 million and are awarded through a competitive process. According to EDA, up to \$75,000 in FFY 2002 funds could be available for the operational support of the regional council.

Additional Information

Prior Introductions: None.

Cross File: SB 818 (Senator Stoltzfus) – Economic and Environmental Affairs.

Information Source(s): Department of Budget and Management, Department of Business and Economic Development, Wicomico County, Worcester County, Department of Legislative Services

Fiscal Note History: First Reader – March 7, 2001
mld/hlb Revised – House Third Reader – March 22, 2001
Revised – Enrolled Bill – May 3, 2001
Revised – Updated Information – July 19, 2001

Analysis by: Christopher J. Kelter

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