

**Department of Legislative Services**  
Maryland General Assembly  
2002 Session

**FISCAL NOTE**

House Bill 1372 (Delegate Shriver)  
Environmental Matters

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**Joint Committee on Smart Growth**

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This bill establishes a 20-member Joint Committee on Smart Growth. The committee must submit an annual report to the General Assembly by December 1 of each year. The report must include a description of the committee's work and any recommendations of the committee. The Department of Legislative Services (DLS) must provide staff assistance to the committee.

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**Fiscal Summary**

**State Effect:** Staffing costs for DLS are assumed to be minimal and absorbable within existing budgeted resources.

**Local Effect:** None.

**Small Business Effect:** None.

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**Analysis**

**Bill Summary:** In an endeavor to coordinate a holistic approach to Smart Growth, the committee must: (1) explore and promote community-focused development policies; (2) identify State policies and actions that can work to make the Smart Growth program more effective; (3) review and make recommendations to align State statutes, regulations, programs, services, and budgetary priorities with those policies and actions; (4) provide oversight to State decisions on facilities placement to assure that they are consistent with Smart Growth policies; (5) provide comprehensive guidance for the integration of various land preservation and farmland protection programs; (6) advise the Office of Smart

Growth and other State agencies on ways State government can better assist localities in addressing growth management and environmental protection issues; (7) investigate ways in which the federal government could better assist the State in implementing its Smart Growth policies; (8) search for any interdepartmental gaps, inconsistencies, and inefficiencies in the implementation or attainment of State policies and actions; (9) identify any new laws, regulations, programs, services, and budgetary priorities that are needed to ensure and promote desired Smart Growth; (10) examine statewide demographic and development trends and develop ways to address or reverse these trends and preserve community character; and (11) serve as an informational resource for the Senate and the House of Delegates on legislative policy matters concerning Smart Growth.

**Current Law:** The Smart Growth Areas Act (Chapter 759 of 1997) focused State spending in those areas that provide the most efficient and effective use of taxpayer dollars and support and revitalize existing neighborhoods and rural villages. The legislation targeted funding toward designated priority funding areas (PFAs), including: (1) those regions inside either of the two beltways; (2) areas currently zoned as industrial; (3) areas zoned as industrial in the future if served by a sewer system; (4) municipal corporations, including Baltimore City, if all areas annexed after January 1, 1997, meet specified density and water and sewer requirements; and (5) areas within a locally designated growth area that meets specified density and sewer requirements.

Beginning October 1, 1998, the State was prohibited from providing funding for any growth-related project not located within a PFA. However, there were exceptions provided under the 1997 legislation. The State may provide funding for a growth-related project not in a PFA if the Board of Public Works:

- determines that extraordinary circumstances exist as specified in statute; or
- approves the project as a transportation project that meets specified requirements such as a project connecting PFAs or a project maintaining an existing transportation system without an increase in highway capacity.

Requests for approval by the Board of Public Works may be made at the request of the governing body of the local jurisdiction or the cabinet secretary with approval authority over the project. The State also may allocate funding for a growth-related project not located in a PFA without approval from the Board of Public Works if:

- the project is required to protect public health or safety;

- the project involves federal funds, to the extent compliance would be inconsistent with federal law; or
- the growth-related project is necessary for a specified commercial or industrial activity that, by its nature, needs to be located away from other development.

The Smart Growth Areas Act required local governments to certify PFAs with the assistance of the Office of Planning (now the Maryland Department of Planning). Each county and municipality is required to submit a map and description of its PFAs consistent with the local comprehensive plan and the criteria established in Chapter 759 of 1997. Further, MDP is required to establish a process to review projects by the appropriate State agencies and provide each appropriate State agency and unit of State and local government with the location of PFAs.

Chapter 759 of 1997 grandfathered projects or programs that had been granted approval or commitments prior to October 1, 1998. Also not subject to the law were projects or programs: (1) having a valid permit or State commitment for a grant, loan, loan guarantee, or insurance for a capital project; (2) for which final review under the National Environmental Policy Act or Maryland Environmental Policy Act was completed prior to October 1, 1998; or (3) for which final review through the State Clearinghouse for Intergovernmental Assistance was completed by January 1, 1999.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Governor's Office (Office of Smart Growth), Department of Legislative Services

**Fiscal Note History:** First Reader - March 15, 2002  
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