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By: **Allegany County Delegation**

Introduced and read first time: February 3, 2003

Assigned to: Environmental Matters

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A BILL ENTITLED

1 AN ACT concerning

2 **Smart Growth - Distressed Counties - Priority Funding Areas**

3 FOR the purpose of authorizing the State to provide funding for certain State projects  
4 that may not be consistent with certain planning policies if the projects are  
5 located in certain distressed counties; authorizing certain distressed counties to  
6 approve or construct certain projects involving the use of State funds under  
7 certain circumstances; designating certain distressed counties as priority  
8 funding areas for purposes of State funding of growth-related projects; defining  
9 a certain term; and generally relating to State funding of growth-related  
10 projects in distressed counties.

11 BY renumbering

12 Article - State Finance and Procurement  
13 Section 5-7B-01(f) and (g), respectively  
14 to be Section 5-7B-01(g) and (h), respectively  
15 Annotated Code of Maryland  
16 (2001 Replacement Volume and 2002 Supplement)

17 BY repealing and reenacting, with amendments,

18 Article - State Finance and Procurement  
19 Section 5-7A-02 and 5-7B-02  
20 Annotated Code of Maryland  
21 (2001 Replacement Volume and 2002 Supplement)

22 BY adding to

23 Article - State Finance and Procurement  
24 Section 5-7B-01(f)  
25 Annotated Code of Maryland  
26 (2001 Replacement Volume and 2002 Supplement)

27 BY repealing and reenacting, without amendments,

28 Article - State Finance and Procurement  
29 Section 5-7B-04(a)

1 Annotated Code of Maryland  
2 (2001 Replacement Volume and 2002 Supplement)

3 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
4 MARYLAND, That Section(s) 5-7B-01(f) and (g), respectively, of Article - State  
5 Finance and Procurement of the Annotated Code of Maryland be renumbered to be  
6 Section(s) 5-7B-01(g) and (h), respectively.

7 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland  
8 read as follows:

9 **Article - State Finance and Procurement**

10 5-7A-02.

11 (a) (1) Except as provided in paragraph (2) of this subsection, with respect to  
12 a State public works, transportation, or major capital improvement project funded  
13 through State or federal funds, the State may not provide State funding for the  
14 project if the project is not consistent with:

15 (i) the State Economic Growth, Resource Protection, and Planning  
16 Policy established in § 5-7A-01 of this subtitle; or

17 (ii) the local plan of the jurisdiction in which the project is located.

18 (2) The State may provide State funding for a State public works,  
19 transportation, or major capital improvement project funded through State or federal  
20 funds which is not consistent with the policy or plan under paragraph (1) of this  
21 subsection if:

22 (I) the State determines that extraordinary circumstances exist  
23 that warrant proceeding with the project and that no reasonably feasible alternative  
24 exists; OR

25 (II) THE PROJECT IS LOCATED IN A QUALIFIED DISTRESSED  
26 COUNTY AS DEFINED IN § 5-7B-01 OF THIS ARTICLE.

27 (b) (1) Except as provided in paragraph (2) of this subsection with respect to  
28 a local construction project involving the use of State funds, grants, loans, loan  
29 guaranties, or insurance, a local jurisdiction may not approve or construct the project  
30 unless the project is consistent with the local plan.

31 (2) A local jurisdiction may approve and construct a local construction  
32 project which is inconsistent with the local plan under paragraph (1) of this  
33 subsection if:

34 (I) the local jurisdiction determines that extraordinary  
35 circumstances exist that warrant proceeding with the project and that no reasonably  
36 feasible alternative exists; OR

1 (II) THE PROJECT IS LOCATED IN A QUALIFIED DISTRESSED  
2 COUNTY AS DEFINED IN § 5-7B-01 OF THIS ARTICLE.

3 (c) By December 1, 1992 the Governor shall establish procedures for review of  
4 State projects under subsection (a) of this section, and each local jurisdiction shall  
5 establish procedures for the review of local projects under subsection (b) of this  
6 section, to:

7 (1) ensure that the projects are consistent with their respective policy  
8 and plans; and

9 (2) evaluate extraordinary circumstances under subsections (a)(2) and  
10 (b)(2) of this section, respectively.

11 (d) Each local jurisdiction shall report on or before February 1 of each year to  
12 the State Economic Growth, Resource Protection, and Planning Commission on the  
13 number and type of projects approved under subsection (b)(2) (I) of this section during  
14 the preceding calendar year, including a description of the extraordinary  
15 circumstances existing and the alternatives considered, together with any additional  
16 information required by the Commission.

17 5-7B-01.

18 (F) "QUALIFIED DISTRESSED COUNTY" MEANS A COUNTY:

19 (1) THAT HAS DEVELOPED IN CONSULTATION WITH THE MUNICIPAL  
20 CORPORATIONS LOCATED WITHIN THE COUNTY AND SUBMITTED TO THE  
21 SECRETARY OF BUSINESS AND ECONOMIC DEVELOPMENT A LOCAL STRATEGIC PLAN  
22 FOR ECONOMIC DEVELOPMENT THAT HAS BEEN APPROVED BY THE SECRETARY OF  
23 BUSINESS AND ECONOMIC DEVELOPMENT; AND

24 (2) (I) FOR WHICH THE AVERAGE RATE OF UNEMPLOYMENT FOR THE  
25 MOST RECENT 18-MONTH PERIOD FOR WHICH DATA ARE AVAILABLE IS GREATER  
26 THAN 150% OF THE AVERAGE RATE OF UNEMPLOYMENT FOR THE ENTIRE STATE  
27 DURING THAT SAME PERIOD; OR

28 (II) FOR WHICH THE AVERAGE PER CAPITA PERSONAL INCOME FOR  
29 THE MOST RECENT 24-MONTH PERIOD FOR WHICH DATA ARE AVAILABLE IS EQUAL  
30 TO OR LESS THAN 67% OF THE AVERAGE PERSONAL PER CAPITA INCOME FOR THE  
31 ENTIRE STATE DURING THAT SAME PERIOD.

32 5-7B-02.

33 The following areas shall be considered priority funding areas under this  
34 subtitle:

35 (1) a municipal corporation, including Baltimore City, except those areas  
36 annexed by a municipal corporation after January 1, 1997 shall satisfy the  
37 requirements relating to density and service by water and sewer set forth in §  
38 5-7B-03 of this subtitle;

1           (2)     a designated neighborhood, as defined in Article 83B, § 4-202 of the  
2 Code;

3           (3)     an enterprise zone as designated under Article 83A, § 5-402 of the  
4 Code, or by the United States government;

5           (4)     a certified heritage area as defined in §§ 13-1101 and 13-1111 of the  
6 Financial Institutions Article that is located within a locally designated growth area;

7           (5)     A QUALIFIED DISTRESSED COUNTY;

8           [(5)]   (6)     those areas of the State located between Interstate Highway  
9 495 and the District of Columbia;

10          [(6)]   (7)     those areas of the State located between Interstate Highway  
11 695 and Baltimore City; and

12          [(7)]   (8)     an area designated by the governing body of a county under §  
13 5-7B-03 of this subtitle.

14 5-7B-04.

15   (a)     Except as otherwise provided in this subtitle, beginning October 1, 1998,  
16 the State may not provide funding for a growth-related project if the project is not  
17 located within a priority funding area.

18   SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
19 October 1, 2003.