

Department of Legislative Services
Maryland General Assembly
2003 Session

FISCAL AND POLICY NOTE
Revised

House Bill 256 (Delegates Leopold and Rosenberg)

Environmental Matters

Education, Health, and Environmental Affairs

Smart Growth - Priority Funding Areas - Designation by Two or More Counties

This bill authorizes the governing bodies of two or more counties to designate a priority funding area that combines two or more contiguous areas located in each of the counties. The Maryland Department of Planning (MDP) must develop and adopt regulations to implement the bill by June 1, 2004.

Fiscal Summary

State Effect: The bill's requirements could be handled with existing budgeted resources.

Local Effect: While the bill provides additional flexibility with respect to the designation of priority funding areas, the bill is not anticipated to significantly affect local finances.

Small Business Effect: Potential minimal.

Analysis

Current Law: The governing body of a county may designate priority funding areas under specified conditions relating to zoning, density, availability of public or community sewer systems, inclusion in water and sewer plans, designation as a local growth area or rural village, and capacity of land areas available for development.

To be eligible for funding for growth-related projects, a local government must certify to MDP any area designated as a priority funding area. Prior to certification, the local government may submit the proposed priority funding areas and any relevant information to MDP for technical assistance, review, and comment, and the opportunity for public review. Upon certification, the local government must provide MDP with all information

necessary to demonstrate the precise location of the area, including a map of the area showing planning and zoning characteristics, and existing and planned water and sewer services as appropriate. Prior to funding a growth-related project, the State funding agency must obtain from the local government a written statement that the proposed growth-related project is located within a certified priority funding area.

Background: In 1997 the General Assembly enacted Governor Glendening’s Smart Growth and Neighborhood Revitalization legislative package in an effort to reduce the impact of urban sprawl on the environment and encourage growth in existing communities. The initiative, which was designed to protect Maryland’s green spaces and to preserve the State’s rural areas, aims to manage growth by restricting State funding to designated priority funding areas. The Smart Growth legislation established certain areas as priority funding areas and allowed counties to designate additional areas if they meet specified requirements for use, water and sewer service, and residential density. **Exhibit 1** lists the areas initially established as priority funding areas and areas eligible for county designation.

Exhibit 1
Smart Growth – Priority Funding Areas

Areas Initially Established	Areas Eligible for County Designation
Municipalities	Areas with industrial zoning
Baltimore City	Areas with employment as the principal use, which are provided with or planned for sewer service
Areas inside the Baltimore and Washington Beltways	
Revitalization Areas designated by the Department of Housing and Community Development	Residential areas which have an average density of two or more units per acre, are within designated growth areas, are designated growth areas, and are served by water or sewer systems
Enterprise Zones	
Heritage Areas	
	Rural villages
	Other areas within county designated growth areas

Source: Maryland Department of Planning

Older, more established neighborhoods often cover more than one county. In addition, some areas such as Baltimore City and Baltimore County have cross-jurisdictional growth issues.

Additional Information

Prior Introductions: Similar legislation was introduced as HB 1273 of 2001. The bill received an unfavorable report from the House Environmental Matters Committee.

Cross File: None.

Information Source(s): Maryland Department of Planning, Governor's Office (Smart Growth), Carroll County, Montgomery County, Department of Legislative Services

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Analysis by: Lesley Frymier

Direct Inquiries to:
(410) 946-5510
(301) 970-5510