

Department of Legislative Services
 Maryland General Assembly
 2006 Session

FISCAL AND POLICY NOTE

House Bill 1608 (Chairman, Environmental Matters Committee)
 (By Request – Departmental – Environment)

Environmental Matters

Environment - Transfer of the Maryland Geological Survey

This departmental bill transfers the Maryland Geological Survey and Commission from the Department of Natural Resources to the Maryland Department of the Environment.

The bill takes effect July 1, 2006.

Fiscal Summary

State Effect: The Governor’s proposed FY 2007 budget includes \$575,000 in general funds to implement the transfer, with \$458,334 in DNR’s allowance and \$116,666 in MDE’s allowance. These funds are not contingent upon the enactment of this bill, however. An estimated \$1.73 million in FY 2007 program funding, including 16 permanent and 2 contractual positions, would be transferred from DNR to MDE.

(in dollars)	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	575,000	0	0	0	0
Net Effect	(\$575,000)	\$0	\$0	\$0	\$0

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

Local Effect: None.

Small Business Effect: MDE has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

Analysis

Current Law/Background: The mission of DNR's Maryland Geological Survey (MGS) is primarily scientific-investigative with authorization to conduct topographic, geologic, hydrographic, and geophysical surveys; to prepare topographic, geologic, and other types of maps to meet specific needs; to prepare reports on the extent and character of the geology, minerals, and water resources of the State; and to engage in, sponsor, and coordinate archeological research in Maryland. Since 1972, MGS has carried out its mission through three programs:

- **Hydrogeology and Hydrology** conducts hydrogeologic studies, geophysical surveys, and test drilling; assesses streams, springs, and aquifers and their interactions; forecasts the potential effects of water demand and land use; and maintains a statewide water data network in cooperation with the U.S. Geological Survey.
- **Environmental Geology and Mineral Resources** conducts geological investigations and mapping and disseminates earth science information about Maryland.
- **Coastal and Estuarine Geology** investigates and determines the geologic framework of the State's coastal environments by mapping and evaluating the natural resources and providing earth science information for resource management.

MGS is currently located in the Kenneth N. Weaver Building and annex located on St. Paul Street in Baltimore City.

The rationale for the proposed reorganization is twofold. First, since MGS provides a significant amount of support to MDE's Public Water Supply and Mining programs, this reorganization would help ensure that both activities and budgets are better aligned with State priorities. Second, since MDE requires geology-related support for a variety of programs, MDE may be able to achieve greater workload efficiency with the addition of these new geologists.

State Fiscal Effect: This bill effectuates the proposed move of two-thirds of MGS from DNR to MDE. As shown in **Exhibit 1**, the Governor's proposed fiscal 2007 budget includes \$575,000 in general funds to implement this move, with \$458,334 in DNR's allowance and \$116,666 in MDE's allowance. The budgeted funds would cover anticipated costs associated with the physical transfer of personnel and equipment as well as costs to perform minor retrofits to MDE's building space.

Even though the bill transfers *all* of MGS and the MGS Commission from DNR to MDE, the affected agencies advise that, by agency agreement, only two-thirds of the staff (and associated funds) would be transferred. The Administration proposes to move all MGS programs except Coastal and Estuarine Geology to MDE's Montgomery Park headquarters in Baltimore City. The Coastal and Estuarine Geology program would relocate to DNR's Tawes headquarters in Annapolis. This proposal assumes that 16 regular positions and 2 contractual positions would move from DNR to MDE and the 9 Coastal and Estuarine Geology program positions would remain within DNR.

Exhibit 1
Proposed Allocation of MGS Resources

	<u>DNR</u>	<u>MDE</u>
Programs	Coastal and Estuarine Geology	Hydrogeology and Hydrology Environmental Geology
Regular positions	9	16 and 2 contractual
FY 2007 funding allocation	Approximately \$1.08 million (\$533,725 in general funds; \$421,410 in reimbursable funds; \$71,000 in federal funds; and \$51,683 in special funds)	Approximately \$1.73 million (\$1.08 million in general funds; \$409,071 in special funds, \$151,463 in reimbursable funds; and \$98,188 in federal funds)
Proposed FY 2007 move funds	\$458,334 (general funds)	\$116,666 (general funds)

Sources: Department of Natural Resources, Maryland Department of the Environment

Additional Comments: DNR advises that if the reorganization is implemented, the Weaver Building would be declared surplus and transferred to the Department of General Services for disposition.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Department of the Environment, Department of Natural Resources, Department of Legislative Services

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ncs/ljm

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