

Department of Legislative Services
 Maryland General Assembly
 2008 Session

FISCAL AND POLICY NOTE
Revised

House Bill 208

(Delegate Riley, *et al.*)

Environmental Matters

Education, Health, and Environmental Affairs

Agriculture - Wild Pollinators Program

This bill establishes, subject to funding in the State budget, a Maryland Wild Pollinators Program within the Maryland Department of Agriculture to increase awareness of wild pollinators and the availability of noninvasive plants that are pollinator friendly. Under the program, MDA must increase awareness among nurseries and land managers of noninvasive plants that are pollinator friendly and provide grants to increase the availability of seed and nursery stock for such plants.

The bill terminates September 30, 2010.

Fiscal Summary

State Effect: General fund expenditure increase of \$50,300 in FY 2009 for MDA to begin implementing the program. This estimate assumes grants would not be provided until FY 2010. FY 2010 and 2011 expenditures reflect annualization, salary increases, inflation, and minimum grant funding.

(in dollars)	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	50,300	97,900	62,500	0	0
Net Effect	(\$50,300)	(\$97,900)	(\$62,500)	\$0	\$0

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

Local Effect: None.

Small Business Effect: Potential meaningful.

Analysis

Current Law/Background: MDA seeks to facilitate the production and sale of Maryland nursery stock through inspection of all plant material intended for sale or distribution for diseases and pests. MDA inspects plant nurseries annually as required by State laws and reciprocal agreements with other states; issues phytosanitary certificates to allow nurseries to export plants to other states or countries that require them; licenses plant dealers and brokers; and conducts other programs designed to prevent or eliminate outbreaks of invasive species and pests of economic importance or quarantine significance. According to the *2002 Census of Agriculture*, the commodity group of nursery, greenhouse, floriculture, and sod had the second highest market value of agricultural products sold in the State (\$188 million).

According to the U.S. Department of Agriculture, pollinator species such as bees, birds, and insects are essential to produce much of our food supply and pollinate 75% of all crops grown in the United States. USDA also indicates that pollination plays a vital role in the health of the nation's forests and grasslands. The importance of pollinator species has received media attention recently due to the disappearance of honey bee colonies that, according to the North American Pollinator Protection Campaign, appears to be occurring across the United States. The disappearance of the honeybees is referred to as Colony Collapse Disorder, yet the cause of the problem is not fully understood.

State Fiscal Effect: General fund expenditures could increase by \$50,308 in fiscal 2009, which accounts for the bill's October 1, 2008 effective date. This estimate reflects the cost of hiring one contractual agricultural marketing specialist to develop a grant program, conduct market analyses, and conduct outreach to potential producers and purveyors of noninvasive plants that are pollinator friendly. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses. This estimate assumes grant awards would not begin until fiscal 2010.

Contractual Positions	1
Salary and Fringe Benefits	\$29,738
Equipment/Start-up Costs	13,700
Operating Expenses	<u>6,870</u>
Total FY 2009 State Expenditures	\$50,308

Future year expenditures account for the bill's September 30, 2010 termination date and reflect • a full salary with 4.4% annual increases and 6.8% employee turnover; • 2%

annual increases in ongoing operating expenses; and • \$50,000 of grant funding in fiscal 2010 and 2011, reflecting the minimum amount needed for a viable program.

To the extent MDA is able to obtain federal funding for the program, the impact on the general fund could be less.

Small Business Effect: Nurseries and plant dealers/brokers could benefit from grants awarded to increase the availability of seed and nursery stock for noninvasive plants that are pollinator friendly. In 2007, there were 364 nurseries, 1,381 plant dealers, and 13 plant brokers certified or licensed by MDA in the State. It is assumed that a significant number of these nurseries are small businesses, but the extent to which licensed plant dealers/brokers are small businesses is unknown.

Additional Information

Prior Introductions: None.

Cross File: SB 419 (Senator Glassman) – Education, Health, and Environmental Affairs.

Information Source(s): Maryland Department of Agriculture, U.S. Department of Agriculture, North American Pollinator Protection Campaign, Department of Legislative Services

Fiscal Note History: First Reader - February 4, 2008
mll/lgc Revised - House Third Reader - March 27, 2008
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