

Department of Legislative Services
Maryland General Assembly
2009 Session

FISCAL AND POLICY NOTE

House Bill 801 (Delegate McDonough)
Environmental Matters

Task Force to Study the Economic Impact of Environmental Legislation and Policy

This bill establishes a Task Force to Study the Economic Impact of Environmental Legislation and Policy, staffed by the Department of Business and Economic Development (DBED), to (1) study the impact of State environmental legislation on the number of jobs, the cost of energy, and changes in property rights; (2) develop a model State Economic Impact Statement to accompany future environmental legislation; and (3) prepare a report summarizing the findings of the task force by January 13, 2010.

The bill takes effect July 1, 2009, and terminates June 30, 2010.

Fiscal Summary

State Effect: Given the State's fiscal difficulties, agency budgets have been constrained. Thus, the requirement to staff the task force, develop a model State Economic Impact Statement, and prepare a report may not be absorbable within the existing budgeted resources of DBED. Instead, general fund expenditures may increase minimally in FY 2010 to retain contractual services with expertise in energy economics, environmental economics, and related fields. Revenues are not affected.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: A rating and analysis of economic impact on small business must be prepared by the appropriate Executive Branch agency for each regulation that the agency proposes for adoption. A copy of the analysis must be submitted to the Joint Committee on Administrative, Executive, and Legislative Review and the Department of Legislative Services to comment on the economic impact analysis rating and the economic impact analysis.

The economic impact analysis rating and the economic impact analysis must include estimates relating to the following factors:

- the cost of providing goods and services;
- the effect on the workforce;
- the effect on the cost of housing;
- the efficiency in production and marketing;
- capital investment, taxation, competition, and economic development; and
- consumer choice.

Likewise, Legislative Services must prepare a rating and analysis of the economic impact on small business as part of the fiscal and policy note for each bill introduced. The appropriate Executive Branch agency has to prepare a rating and analysis and provide it to Legislative Services for bills introduced on behalf of departments or the Administration.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Business and Economic Development, Maryland Department of the Environment, Department of Legislative Services

Fiscal Note History: First Reader - March 10, 2009
mcp/rhh

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