

Department of Legislative Services
Maryland General Assembly
2009 Session

FISCAL AND POLICY NOTE

House Bill 965 (Delegate Sossi, *et al.*)
Environmental Matters

Department of Planning - Advisory Role to Municipal and County Governments

This bill specifies that the Maryland Department of Planning (MDP) may act only as an advisory or consultative agency with respect to a county or municipality.

The bill takes effect June 1, 2009.

Fiscal Summary

State Effect: The bill is not expected to materially affect State finances.

Local Effect: The bill does not have a significant impact on local operations or finances.

Small Business Effect: None.

Analysis

Current Law: Article 66B governs zoning and planning in the State and gives significant authority to local governments. Two laws provide for additional State involvement: the Maryland Economic Growth, Resource Protection, and Planning Act of 1992 (the Planning Act); and the Smart Growth and Neighborhood Conservation Act of 1997 (Priority Funding Areas Act).

The Planning Act sought to organize and direct comprehensive planning, regulating, and funding by State, county, and municipal governments in furtherance of a specific economic growth and resource protection policy. This Act is organized around eight statutory vision statements which must be pursued in county and municipal comprehensive plans, where priorities for land use, economic growth, and resource

protection are established. The visions must also be followed by the State in undertaking its various programs. Both State and local funding decisions on public construction projects must adhere to the visions.

The State sought to strengthen its efforts to control sprawl, enhance land use, and control pollution with the Priority Funding Areas Act. This Act capitalized on the influence of State expenditures on economic growth and development by directing State spending to priority funding areas (PFAs). The broad purpose of PFAs is to focus State spending to make the most efficient and effective use of existing infrastructure; preserve existing neighborhoods; and preserve Maryland's fields, farms, and open spaces. The Act established certain areas as PFAs and allowed counties to designate additional areas if they meet minimum criteria. **Exhibit 1** lists the areas initially established as PFAs and areas eligible for county designation.

Exhibit 1 **Smart Growth – Priority Funding Areas**

<u>Areas Initially Established by Law</u>	<u>Areas Eligible for County Designation</u>
Municipalities	Areas with industrial zoning
Baltimore City	Areas with employment as the principal use which are served by, or planned for, a sewer system
Areas inside the Baltimore and Washington beltways	Existing communities within county-designated growth areas which are served by a water or sewer system and which have an average density of 2 or more units per acre
Neighborhoods designated for revitalization by the Department of Housing and Community Development	Rural villages
Enterprise and empowerment zones	Other areas within county-designated growth areas that, among other things, have a permitted density of 3.5 or more units per acre for new residential development
Certified Heritage Areas within county-designated growth areas	

Source: Maryland Department of Planning

Most State programs that encourage or support growth and development are affected by this Act, including economic development assistance and the construction of public schools, State highways, and water and wastewater facilities. The Act allows funds to be allocated for projects outside PFAs under certain conditions, such as when the project is required to protect public health or safety.

Background: MDP develops, coordinates, reviews, and monitors public and private-sector plans for growth and development in the State. MDP consists of two administrative units and the programmatic units described below.

- Communications and Intergovernmental Affairs incorporates the State Clearinghouse for Intergovernmental Assistance as well as MDP's education and outreach efforts;
- Planning Data Services collects, analyzes, and publishes social, economic, and geographic information relating to the State and its political subdivisions; identifies and evaluates development issues; and prepares reports and studies on specific topics for the Governor and the General Assembly;
- Planning Services provides technical services to improve the planning and management capacity of local governments;
- Comprehensive Planning prepares studies and plans to guide the State's development and provides technical support for the Patuxent River Commission;
- Museum Services provides financial and technical assistance to more than 220 historic and cultural museums and operates the Jefferson Patterson Park and Museum;
- Research, Survey, and Registration seeks to advance research, documentation, evaluation, and retrieval of information about Maryland's historical and cultural resources;
- Preservation Services seeks to protect and enhance historical and cultural properties in Maryland through State and federal regulatory reviews, historic preservation easements, and historical rehabilitation tax credits; and
- the Office of Smart Growth works with local governments and community partners to foster economic growth and prosperity and the development of more livable and sustainable communities in Maryland.

Additional Comments: MDP advises the bill may impact its authority to certify county agricultural land preservation programs; serve as one of the five voting members on the Interagency Committee on School Construction and Public School Construction; enter into agreements with local jurisdictions and enforce requirements within the agreements; and serve as a signatory to the Certificate for Public Necessity and Need, which concerns electric transmission and generation projects.

Additional Information

Prior Introductions: None.

Cross File: SB 588 (Senator Pipkin) - Education, Health, and Environmental Affairs.

Information Source(s): Kent, Washington, and Worcester counties; City of Bowie; Baltimore City; Maryland Municipal League; Maryland Department of Planning; Department of Legislative Services

Fiscal Note History: First Reader - February 24, 2009

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