

**Department of Legislative Services**  
Maryland General Assembly  
2010 Session

**FISCAL AND POLICY NOTE**

Senate Bill 55

(Chair, Finance Committee)(By Request - Departmental -  
Business and Economic Development)

Finance

Economic Matters

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**Business and Economic Development - Maryland Military Installation Council -  
Sunset Repeal, Membership, and Terms**

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This departmental bill (1) repeals the December 31, 2011 termination date for the Maryland Military Installation Council (MMIC); (2) increases membership of the council to 24 by including the Secretary of Veterans Affairs and Adjutant General of the Maryland National Guard; and (3) establishes four-year, staggered terms for appointed members.

The bill takes effect July 1, 2010.

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**Fiscal Summary**

**State Effect:** None. Making the council's statutory authorization permanent can be handled with existing resources.

**Local Effect:** None.

**Small Business Effect:** The Department of Business and Economic Development (DBED) has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

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**Analysis**

**Current Law/Background:** In order to address an excess capacity of military facilities, the U.S. Congress created a process in 1990 known as Base Realignment and Closure (BRAC). The most recent round of plans regarding military installations nationwide

became effective in November 2005. BRAC allows for the appointment of an independent commission that evaluates the military's needs and offers recommendations. The 2005 BRAC represents the first major base closure and realignment activity in 10 years.

Chapter 335 of 2003 created the Maryland Military Installation Strategic Planning Council (MMISPC), consisting of representatives of State agencies and federal military installations, to serve as an advocate for military facilities located in Maryland and coordinate State agency planning in response to changes caused by BRAC. The council was charged with identifying:

- public infrastructure and other community support necessary to improve mission efficiencies and develop existing installations in the State;
- existing and potential impacts of encroachment on military installations in Maryland;
- potential State and community actions that could minimize the impacts of encroachment and enhance the long-term potential of military installations; and
- opportunities for collaboration among military contractors, academic institutions, local governments, the State, and military departments.

The council was also charged with reviewing State policies to identify actions needed to prepare for the U.S. Department of Defense Facilities Initiative that began in 2005 and to research how jurisdictions have addressed encroachment and partnership formation issues. Chapter 275 of 2005 extended the termination date of the council to December 31, 2008.

After the approval of the 2005 BRAC plans, the State renamed the council the Maryland Military Installation Council and extended the termination date of the council to December 31, 2011 (Chapter 634 of 2006). Chapter 634 also increased to 22 membership of the council by including representatives of local liaison organizations. In addition, whereas MMISPC was required to review State policies to identify actions necessary to prepare for the BRAC initiative of 2005, MMIC is charged with reviewing State policies, including funding and legislation, to identify actions necessary to provide State and local support to support the mission of each military installation in Maryland. The council must report to the General Assembly by December 31 of each year.

Chapter 314 of 2004 requires the Secretary of Business and Economic Development to designate an entity within DBED as the single contact for issues relating to realignment and closure of federal military installations in the State. The council serves as that point of contact.

The 2005 BRAC plans impact many of the federal military installations in the State, resulting in about 20,000 direct new jobs and placing Maryland among the largest beneficiaries nationally. These changes at each of the State's installations are expected to be phased in over a five- to six-year period. The bulk of the gains are expected at Aberdeen Proving Ground, Andrews Air Force Base, Fort Meade, and the National Naval Medical Center. Most of these jobs are projected to be medical professionals, engineers, and managers. In addition, many more indirect jobs will be created through contractors and related services. It is estimated that Maryland will gain approximately 28,000 households by the time the BRAC process is complete.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Department of Business and Economic Development,  
Department of Legislative Services

**Fiscal Note History:** First Reader - January 20, 2010  
ncs/rhh

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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Business and Economic Development – Maryland Military Installation Council – Sunset Repeal, Membership, and Terms

BILL NUMBER: SB 55

PREPARED BY: Department of Business and Economic Development

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL BUSINESS

OR

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS

The proposed legislation will have no impact on small business in Maryland.