

Department of Legislative Services  
Maryland General Assembly  
2020 Session

FISCAL AND POLICY NOTE  
Third Reader - Revised

House Bill 436  
Ways and Means

(Delegate Buckel, *et al.*)

Budget and Taxation

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**Task Force on the Economic Future of Western Maryland**

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This bill establishes the Task Force on the Economic Future of Western Maryland to be staffed by the Department of Commerce. The task force must study the current economic conditions of Western Maryland and make recommendations on potential methods to improve the economies of Allegany, Garrett, and Washington counties. Potential methods may include (1) opportunities to expand economic activity in technology-based industry, including biotechnology, cybersecurity, energy and energy storage, transportation and logistics, and advanced manufacturing; (2) opportunities to strengthen tourism-related businesses; and (3) strategies to overcome barriers to the creation and expansion of new small businesses. The task force must report its findings and recommendations to the Governor and General Assembly by January 1, 2021. **The bill takes effect July 1, 2020, and terminates June 30, 2021.**

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**Fiscal Summary**

**State Effect:** The Department of Commerce can handle staffing responsibilities for the task force with existing budgeted resources. Expense reimbursements for task force members are assumed to be minimal and absorbable with existing resources. Revenues are not affected.

**Local Effect:** None.

**Small Business Effect:** None.

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## Analysis

**Background:** Western Maryland, which comprises of Allegany, Garrett, and Washington counties, represents 4.0% of total employment in Maryland and 4.1% of private sector employment. In comparison, the three counties represent 4.2% of the State's population. As shown in **Exhibit 1**, Western Maryland has a higher unemployment rate and a lower median household income and average weekly wage than the statewide average. Additional information on public and private sector employment can be found in the [Local Government Overview](#) report. A copy of the report is available on the Department of Legislative Services website.

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### Exhibit 1 Selected Economic Statistics – Western Maryland

<u>County</u>	<u>Unemployment Rate</u> <sup>1</sup>	<u>Median Household Income</u> <sup>2</sup>	<u>Private Sector Employment</u> <sup>3</sup>	<u>Avg. Weekly Wage</u> <sup>3</sup>
Allegany	5.3%	\$42,771	23,085	\$701
Garrett	4.6%	48,174	10,118	663
Washington	3.9%	58,260	57,320	823
Statewide	3.6%	\$78,916	2,187,615	\$1,131

<sup>1</sup> CY 2019 average.

<sup>2</sup> 2013-2017 American Community Survey.

<sup>3</sup> CY 2018 average.

Source: Department of Commerce, Department of Legislative Services

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The following is a brief description of the business and industrial properties currently available in Western Maryland for economic development. The information is from the Brief Economic Facts prepared by the Department of Commerce.

#### *Allegany County*

Eight industrial parks are located in the Cumberland and Frostburg areas. Available sites offer a wide variety of options including some with rail and newly added fiber optic lines. The Allegany Business Center is adjacent to Frostburg State University and surrounds the newly constructed Appalachian Laboratory. In addition, the Barton Business Park is home to a brand new 40,000 square foot shell building. The business park continues to focus on advanced manufacturing companies.

*Garrett County*

Six industrial/business parks, with access to major highways and underlying infrastructure, are strategically located throughout the county. This includes the McHenry Business Park, a technology-based business park located adjacent to the Garrett County Airport. The Garrett Information Enterprise Center, located on the Garrett College campus, offers incubator and co-working space to new and expanding technology-based businesses.

*Washington County*

Approximately 20 business and industrial parks are located in the Hagerstown and Williamsport area, with access to I-70 and I-81. More than 2,178 acres are ready for development, with 6 million square feet of office, commercial, warehouse, and manufacturing space currently available. A business incubator is located at the Technical Innovation Center in Hagerstown.

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**Additional Information**

**Prior Introductions:** None.

**Designated Cross File:** None.

**Information Source(s):** Department of Commerce; Department of Legislative Services

**Fiscal Note History:** First Reader - February 5, 2020  
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