

Department of Legislative Services
Maryland General Assembly
2021 Session

FISCAL AND POLICY NOTE
Third Reader

Senate Bill 616

(Senator McCray)

Education, Health, and Environmental Affairs

Environment and Transportation

Baltimore City - Soil Conservation District - Authority to Establish

This bill authorizes a Baltimore City Soil Conservation District to be established and continued with boundaries corresponding to the boundaries of Baltimore City.

Fiscal Summary

State Effect: To the extent a Baltimore City Soil Conservation District is established, general fund expenditures increase by at least \$171,400 in FY 2022 and by similar amounts in future years. Revenues are not affected.

Local Effect: To the extent a Baltimore City Soil Conservation District is established, Baltimore City finances are expected to be affected, potentially significantly, as described below.

Small Business Effect: Potential meaningful.

Analysis

Current Law: There are 24 soil conservation districts in 23 counties (Frederick County contains two districts) established in statute and continued with boundaries corresponding to county boundaries, except for Frederick County, and include all land and water and incorporated areas.

The governing body of each district consists of five supervisors who must be interested and knowledgeable in the conservation of soil, water, and related natural resources. One of the supervisors is appointed by the county governing body and four are appointed by the State Soil Conservation Committee. Of the four supervisors appointed by the committee,

one is appointed from a list of three district residents submitted by the county farm bureau, one is appointed from a list of three district residents submitted by the county extension service, and the remaining two are appointed from among residents of the district.

A soil conservation district constitutes a political subdivision of the State and a public body corporate and politic, exercising public powers. The supervisors have various authority, including the authority to (1) conduct surveys, investigations, and research relating to the character of soil erosion and the preventive and control measures needed; (2) disseminate information concerning preventive and control measures; (3) conduct demonstration projects; (4) carry out preventive and control measures; (5) develop comprehensive plans for conserving soil resources and controlling and preventing soil erosion within the district; and (6) approve and disapprove sediment control plans for clearing, grading, transporting, or otherwise distributing soil pursuant to provisions of the Environment Article (soil conservation districts are designated as approval authorities under those provisions).

State Expenditures: To the extent a Baltimore City Soil Conservation District is established, general fund expenditures increase by at least \$171,337 in fiscal 2022, which accounts for the bill’s October 1, 2021 effective date. This estimate reflects the cost for the Maryland Department of Agriculture (MDA) to hire (1) a district manager, to assist in the development and implementation of programs in conjunction with the board of supervisors, and supervise district office staff and (2) a planner/technician to handle plan development, cost-share administration, and technical reviews. MDA provides department staff and other assistance to soil conservation districts, in partnership with county governments and the U.S. Department of Agriculture, which also play a role in the funding and operations of the offices. MDA currently has 141 staff that support the districts, largely within the 23 district offices (the Frederick County districts share an office). The Governor’s proposed fiscal 2022 budget includes \$12.9 million in general and reimbursable funds for support of the soil conservation districts, primarily for personnel costs.

This estimate assumes a minimum amount of staff for the Baltimore City Soil Conservation District office, since MDA indicates that it is unclear at this time what level of staff will be needed; expenditures may be higher if additional staff or other funding is needed. The estimate includes salaries, fringe benefits, one-time start-up costs (including a vehicle) and ongoing operating expenses (including per diem funds for the board of supervisors).

Positions	2
Salaries and Fringe Benefits	\$109,054
Vehicle	25,000
Operating Expenses	<u>37,283</u>
Total FY 2022 State Expenditures	\$171,337

Future year expenditures (which total \$160,344 in fiscal 2023, increasing to \$175,063 by fiscal 2026) reflect full salaries with annual increases and employee turnover and ongoing operating expenses.

Local Fiscal Effect: To the extent a Baltimore City Soil Conservation District is established, Baltimore City finances are expected to be affected, potentially significantly. MDA indicates that the city would need to be an active participant and source of funding to ensure the success of the new district. In addition, to the extent that regulatory efforts currently undertaken by the city, in particular sediment control plan review and/or inspections, are transferred from the city to the soil conservation district, it appears there may be some amount of personnel that currently perform those functions (potentially about 12 personnel), associated fee revenues (in the range of \$150,000 annually for sediment control plan review), and expenditures supporting the personnel and operating costs, shifted from the city government to the soil conservation district. It is unclear what the net fiscal effect of such a shift is for the city. Presumably, the city, in that event, would continue to provide funding to support those personnel as part of its contribution to the soil conservation district. MDA indicates that its staff are generally not closely involved in sediment control plan review within the districts.

Small Business Effect: MDA indicates that opportunities for small businesses may develop with the availability of State and federal conservation programs administered through the Baltimore City Soil Conservation District, if it is established.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Baltimore City; University System of Maryland; Maryland Department of Agriculture; Department of Legislative Services

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